

EXHIBIT A

(part 2 of 6)

EXHIBIT 2

1

SMV 05407

CIZXCGCOH 10-07



POLICY NUMBER S 90 MZX 8099 74 57

ASSOCIATED INDEMNITY CORPORATION, NOVATO, CA (13)

Named Insured
SPRING MOUNTAIN VINEYARD INC

Sequential Endorsement Number 001

PORTFOLIO CHANGE ENDORSEMENT
Effective 06/01/19, 12:01 A.M.,
Standard Time at the address of the insured

This is an Endorsement only. Other than changes shown, all other pre-existing coverage remains in full force and effect. Premium adjustments are shown.

PREMIUM SUMMARY:	ADDITIONAL PREMIUM DUE NOW	\$0.00
Terrorism Risk Insurance Act ("The Act") - Certified Acts Coverage -		
All Coverages Subject to the Act Excl WC and Umbrella -		
Covered		\$0.00

THE FOLLOWING OTHER PROPERTY ENDORSEMENTS ARE AMENDED TO APPLY AS SHOWN:

004 SCHEDULE OF MORTGAGEE

SCHEDULE

LOCATION(S)	MORTGAGEE NAME AND ADDRESS
001	MGG CALIFORNIA, LLC, AS COLLATERAL AGENT ISADA ONE PENN PLAZA, STE. 5320 NEW YORK, NEW YORK 10119

The following other General Liability endorsement(s) are amended to apply as shown:

ADDITIONAL INSURED - MORTGAGEE, ASSIGNEE,
OR RECEIVER (CG2018 04 13)
CG2018 0413 00

SCHEDULE

NAME OF PERSON(S) OR ORGANIZATION(S)	DESIGNATION OF PREMISES:
MGG CALIFORNIA, LLC	

Countersignature of Authorized Agent: _____ Date 07/10/19
 Producer ARTHUR J GALLAGHER & CO
 3697 MT DIABLO BLVD STE 300
 LAFAYETTE CA 94549

CHANGE ENDORSEMENT CONTINUED ON PAGE 2

Page 1

SMV 05408

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POLICY NUMBER S 90 MZX 8099 74 57

Named Insured
SPRING MOUNTAIN VINEYARD INC

Sequential Endorsement Number 001 (continued)

ADDITIONAL INSURED - MORTGAGEE, ASSIGNEE,
OR RECEIVER (CG2018 04 13)
CG2018 0413 00 (continued)

AS COLLATERAL AGENT, IS AOA
ONE PENN PLAZA, STE. 5320
NEW YORK, NEW YORK 10119

CHANGE ENDORSEMENT CONTINUED ON PAGE 3

Page 2

SMV 05409

POLICY NUMBER S 90 MZX 8099 74 57

Named Insured
SPRING MOUNTAIN VINEYARD INC

Sequential Endorsement Number 001 (continued)

RATING PERIOD 06-01-19 TO 06-01-20

GENERAL LIABILITY SCHEDULE

Premise 01					
Location 001	2805 SPRING MOUNTAIN RD (WINERY)				
	SAINT HELENA	CA	94574	NAPA	(CNTY)
Premise 02					
Location 002	2805 SPRING MOUNTAIN RD (VICTORIAN)				
	SAINT HELENA	CA	94574	NAPA	(CNTY)
Premise 03					
Location 003	2805 SPRING MOUNTAIN RD (COTTAGE)				
	SAINT HELENA	CA	94574	NAPA	(CNTY)
Premise 04					
Location 004	2805 SPRING MOUNTAIN RD (SHOP)				
	SAINT HELENA	CA	94574	NAPA	(CNTY)
Premise 05					
Location 005	2805 SPRING MOUNTAIN RD (BARN)				
	SAINT HELENA	CA	94574	NAPA	(CNTY)
Premise 06					
Location 006	3101 SPRING MOUNTAIN RD (WINERY)				
	SAINT HELENA	CA	94574	NAPA	(CNTY)
Premise 07					
Location 007	2849 SPRING MOUNTAIN RD (MAIN HOUSE)				
	SAINT HELENA	CA	94574	NAPA	(CNTY)
Premise 08					
Location 008	2849 SPRING MOUNTAIN RD (GARAGE)				
	SAINT HELENA	CA	94574	NAPA	(CNTY)
Premise 09					
Location 009	2849 SPRING MOUNTAIN RD (WINERY BLDG #1)				
	SAINT HELENA	CA	94574	NAPA	(CNTY)
Premise 10					
Location 010	2849 SPRING MOUNTAIN RD (WINERY BLDG #2)				
	SAINT HELENA	CA	94574	NAPA	(CNTY)
Premise 11					
Location 011	2849 SPRING MOUNTAIN RD (CARETAKER HOUSE)				
	SAINT HELENA	CA	94574	NAPA	(CNTY)
Premise 12					
Location 012	2849 SPRING MOUNTAIN RD (GUEST HOUSE)				
	SAINT HELENA	CA	94574	NAPA	(CNTY)

CHANGE ENDORSEMENT CONTINUED ON PAGE 4

Page 3

SMV 05410

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POLICY NUMBER S 90 MZX 8099 74 57

Named Insured
SPRING MOUNTAIN VINEYARD INC

Sequential Endorsement Number 001 (continued)

RATING PERIOD 06-01-19 TO 06-01-20

GENERAL LIABILITY SCHEDULE (continued)

Premise 13				
Location 013	1150 DOWDELL LN	(WINE STORAGE)		
	SAINT HELENA	CA 94574	NAPA	(CNTY)
Premise 14				
Location 014	2820 SPRING MOUNTAIN RD (MAIN HOUSE)			
	SAINT HELENA	CA 94574	NAPA	(CNTY)
Premise 15				
Location 015	2820 SPRING MOUNTAIN RD (CARETAKER RESIDENCE)			
	SAINT HELENA	CA 94574	NAPA	(CNTY)
Premise 16				
Location 016	2820 SPRING MOUNTAIN RD (WINERY)			
	SAINT HELENA	CA 94574	NAPA	(CNTY)
Premise 17				
Location 017	2805 SPRING MOUNTAIN RD (GREENHOUSE)			
	SAINT HELENA	CA 94574	NAPA	(CNTY)
Premise 18				
Location 018	2805 SPRING MOUNTAIN RD (CAVE)			
	SAINT HELENA	CA 94574	NAPA	(CNTY)
Premise 19				
Location 019	60 HARLOW COURT	(WINE STORAGE)		
	NAPA	CA 94558	NAPA	(CNTY)
Premise 20				
Location 020	241 TOWER ROAD	(WINE STORAGE)		
	AMERICAN CANYON	CA 94503	NAPA	(CNTY)

Classification(s)	Bases of Premium	Exposure	Rate
Premise 01			
Premises/Operations			
WINE MFG - STILL	GAL. PRODUCED	48,000	79.5865
Products/Completed Operations are Subject to the General Aggregate Limit			
INCREASED MEDICAL PAYMENTS	GAL. PRODUCED	48,000	.9308

CHANGE ENDORSEMENT CONTINUED ON PAGE 5

Page 4

SMV 05411

POLICY NUMBER S 90 MZX 8099 74 57

Named Insured
SPRING MOUNTAIN VINEYARD INC

Sequential Endorsement Number 001 (continued)

RATING PERIOD 06-01-19 TO 06-01-20

GENERAL LIABILITY SCHEDULE (continued)

Classification(s)	Bases of Premium	Exposure	Rate
Premises/Operations (continued)			
SWIMMING POOLS- NOC	EACH	1	813.6493
Products/Completed Operations are Subject to the General Aggregate Limit			
INCREASED MEDICAL PAYMENTS	EACH	1	57.0982
VACANT LAND - FOR PROFIT	ACRES	224	7.1139
Products/Completed Operations are Subject to the General Aggregate Limit			
INCREASED MEDICAL PAYMENTS	ACRES	224	.4992
Premise 14			
Premises/Operations			
DWELLINGS-ONE FAM.(LESSOR'S RISK)	EACH	1	163.1745
Products/Completed Operations are Subject to the General Aggregate Limit			
INCREASED MEDICAL PAYMENTS	EACH	1	11.4508
Premise 15			
Premises/Operations			
DWELLINGS-ONE FAM.(LESSOR'S RISK)	EACH	1	163.1745
Products/Completed Operations are Subject to the General Aggregate Limit			
INCREASED MEDICAL PAYMENTS	EACH	1	11.4508
MULTICOVER			200

CHANGE ENDORSEMENT CONTINUED ON PAGE 6

Page 5

SMV 05412

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POLICY NUMBER S 90 MZX 8099 74 57

Named Insured
SPRING MOUNTAIN VINEYARD INC

Sequential Endorsement Number 001 (continued)

RATING PERIOD 06-01-19 TO 06-01-20

GENERAL LIABILITY SCHEDULE (continued)

Employee Benefits Administration Errors and Omissions

EMPLOYEE BENEFITS ADMINISTRATION	NUMBER OF EMPLOYEES	50
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END OF CHANGE ENDORSEMENT

PAGE 0001

**POLICIES ENCLOSED LIST
FROM FIREMAN'S FUND INSURANCE COMPANIES**

PRODUCER 04138006

ARTHUR J GALLAGHER & CO

DATE 19/07/10

INSURED NAME	POLICY NUMBER	TRANSACTION TYPE	RECIPIENT	CPS	ASM
SPRING MOUNTAIN VINEYARD INC	HZX80997457	MIDTERM	PRODUCER NO FORMS INSURED		06

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SMV 05414

Allianz Global Risks US Insurance Company

Privacy and Security Statement

Protecting you and your family from loss is important to Allianz Global Risks US. Just as important to us is protecting your privacy and personal information. Our pledge to protect your privacy is reflected in our Privacy and Security Statement, which outlines our principles for collecting, using and protecting your personal information.

Our Privacy and Security Statement applies to all of the companies within the Allianz Global Risks US family of companies that issue insurance policies. In most cases, these companies use the same processing systems and employees to maintain your insurance coverage. The law allows us to share personal information among our insurance companies. The law does not allow customers to prevent these disclosures. A list of our companies can be found at the end of this notice.

Allianz Global Risks US does not sell your personal information to anyone. We do not share your personal information with anyone for their own marketing purposes. For this reason, no "opt-in" or authorization is required. We also do not share your personal information with any of our affiliated companies outside of the Allianz Global Risks US family of insurance companies.

Personal Information about You Allianz Global Risks US Collects

Allianz Global Risks US collects personal information about you so that we can process the insurance transactions you request. We limit the amount of personal information collected to what we feel is needed to maintain your account. We may collect your personal information from the following sources:

- From you, either directly or through your agent. This may include information on your insurance application or other forms you may complete.
- From others, through the process of handling a claim. This may include information from medical or accident reports.
- From your relationship with us. Such as the number of years you have been a customer or the types of insurance products you purchased.
- From a consumer reporting agency. Such as a credit or motor vehicle report. The information in these reports may be kept by the consumer reporting agency and shared with others.

If you visit one of our websites, we may use "cookies" (small text files sent from our site to your hard drive). These cookies help us to recognize repeat visitors and allow easy access to and use of the site. We do not use cookies to gather personal information. The cookies only enable you to use our website more easily.

Personal Information about You Allianz Global Risks US Shares

Allianz Global Risks US does not share personal information about current or former customers to anyone, except as "allowed by law". "Allowed by law" means that we may share your personal information, such as your name, address and policy information, as follows:

- To consumer reporting agencies to obtain a credit report or motor vehicle report. These reports are used to determine eligibility for coverage or to process your requested transactions.
- To your insurance agent so that they can perform services for you.
- To medical professionals in order to process your claim.
- To a state Department of Insurance in order to examine our records or business practices.
- To state or federal law enforcement agency, as required by law or to report suspected fraud activities.
- To research groups to conduct studies on claims results. No individual is identified in any study or report.

We advise the vendors with whom we legally share your personal information, of our privacy policy. We make every effort to use vendors whose privacy policy reflects our own.

Allianz Global Risks US's Policies and Practices Regarding Security of Personal Information

Allianz Global Risks US uses a variety of computer hardware and software tools to maintain physical, electronic and procedural safeguards that comply with applicable federal and state regulations to guard your personal information. We restrict access to personal information about you to those employees who need the information to service your policy. Allianz Global Risks US works hard to ensure that our websites are secure. We use state of the art technology to protect the personal information that may be shared over these sites.

Your Ability to Access and Correct Your Personal Information

If you wish to review your personal information, please write to the address below. Provide your full name, address and policy number(s). For your protection, please have your request notarized. This will ensure the identity of the person requesting the information.

Within 30 working days, you may see and copy your information in person. If you prefer, we will send you a copy of your information. You will not be given access to your information collected or in connection with a claim, or a civil or criminal proceeding. If medical information is contained in your file, we may request that you name a medical professional to whom we will send the information.

If you believe any of your information is incorrect, notify us in writing at the address below. We will let you know if our review has resulted in a correction of your information. If we do not make a correction, you may file a statement disputing the information. We will attach the statement to your file. We will send any corrections we make, or your statement, to anyone we shared your information with over the past two years. And to anyone who may receive your information from us in the future.

Notification of Change

Your trust is one of our most important assets. If we revise our privacy practices in the future, we will notify you prior to introducing any changes. A summary of our Privacy Policy is also displayed on our website (www.agcs.allianz.com).

For More Information or if You have Questions

Should you have further questions regarding our privacy policy, you can contact us in a number of ways. You may email us at AGCSNAPrivacyNotice@agcs.com or you can write to us at:

Allianz Global Risks US
Corporate Compliance Department
1465 North McDowell Blvd
Petaluma, CA
94954-6516

Allianz Global Risks US's Family of Companies.

The following lists the issuing companies Allianz Global Risks US uses to issue insurance policies nationwide:

AGCS Marine Insurance Company
Allianz Global Risks US Insurance Company
Allianz Underwriters Insurance Company
American Automobile Insurance Company
Associated Indemnity Corporation
Chicago Insurance Company
Fireman's Fund Insurance Company
Fireman's Fund Insurance Company of Ohio
Fireman's Fund Indemnity Corporation
Fireman's Fund Insurance Company of Hawaii
Interstate Fire & Casualty Company
National Surety Corporation
The American Insurance Company



Policyholder Message - 385542 07 16

Important Information for California Policyholders

If you ever have questions about your policy, or about any insurance matter, you can contact your independent agent or broker. If you have additional questions, you can contact the company issuing the policy at the following address:

Corporate Consumer Affairs
Allianz Global Corporate & Specialty
1465 N. McDowell Boulevard, Suite 100
Petaluma, CA 94954
Phone: 1-800-243-9622

If you have been unable to obtain satisfaction from either the agent or the company, you may contact the California Department of Insurance at the following address:

California Department of Insurance
Consumer Services Division
300 South Spring Street, South Tower
Los Angeles, CA 90013

Phone: 1-800-927-4357 (calling within California)
1-213-897-8921 (calling outside California)
1-800-482-4833 (TDD-Telecommunication Devices for the Deaf)

The Department of Insurance should be contacted only after the contacts with the agent and the company have failed to produce a satisfactory solution to your problem.

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Important Disclosure Notice Regarding Terrorism Coverage - 386359 01 15

Insured: **SPRING MOUNTAIN VINEYARD INC**

Policy Number: **S 90 MZX 80997457**

Producer: **ARTHUR J GALLAGHER & CO**

Effective Date: **06-01-19**

This notice applies to the type(s) of insurance provided under this policy that are subject to the Terrorism Risk Insurance Act, as amended ("The Act"). You are hereby notified that under The Act, you have a right to purchase insurance coverage for losses arising out of **certified acts of terrorism**, as defined in Section 102(1) of The Act: The term **certified act of terrorism** means any act or acts that are certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act, as amended, to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property; or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of an air carrier or vessel or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

YOU SHOULD KNOW THAT WHEN COVERAGE IS PROVIDED BY THIS POLICY FOR LOSSES RESULTING FROM **CERTIFIED ACTS OF TERRORISM**, SUCH LOSSES MAY BE PARTIALLY REIMBURSED BY THE UNITED STATES GOVERNMENT UNDER A FORMULA ESTABLISHED BY FEDERAL LAW. HOWEVER, YOUR POLICY MAY CONTAIN OTHER EXCLUSIONS WHICH MIGHT AFFECT YOUR COVERAGE, SUCH AS AN EXCLUSION FOR NUCLEAR EVENTS. UNDER THE FORMULA, THE UNITED STATES GOVERNMENT GENERALLY REIMBURSES 85% THROUGH 2015; 84% BEGINNING ON JANUARY 1, 2016; 83% BEGINNING ON JANUARY 1, 2017; 82% BEGINNING ON JANUARY 1, 2018; 81% BEGINNING ON JANUARY 1, 2019 AND 80% BEGINNING ON JANUARY 1, 2020 OF COVERED TERRORISM LOSSES EXCEEDING THE STATUTORILY ESTABLISHED DEDUCTIBLE PAID BY THE INSURANCE COMPANY PROVIDING THE COVERAGE. THE PREMIUM CHARGED FOR THIS COVERAGE IS PROVIDED BELOW AND DOES NOT INCLUDE ANY CHARGES FOR THE PORTION OF LOSS THAT MAY BE COVERED BY THE FEDERAL GOVERNMENT UNDER THE ACT.

YOU SHOULD ALSO KNOW THAT THE TERRORISM RISK INSURANCE ACT, AS AMENDED, CONTAINS \$100 BILLION CAP THAT LIMITS U.S. GOVERNMENT REIMBURSEMENT AS WELL AS INSURER'S LIABILITY FOR LOSSES RESULTING FROM **CERTIFIED ACTS OF TERRORISM** WHEN THE AMOUNT OF SUCH LOSSES IN ANY ONE CALENDAR YEAR EXCEEDS \$100 BILLION. IF THE AGGREGATE INSURED LOSSES FOR ALL INSURERS EXCEEDS \$100 BILLION, YOUR COVERAGE MAY BE REDUCED.

Our records indicate that you previously accepted our offer of terrorism coverage, which was made at the time we issued our quote. Accordingly, the policy referenced above includes coverage for **certified acts of terrorism**, as defined in The Act. If your policy provides workers compensation coverage, you cannot reject that coverage because applicable workers compensation laws in your state mandate that this coverage be included. No additional action on your part is required at this time.

If you have any questions about this or any other insurance matter, please contact your agent or broker representing the Fireman's Fund Insurance Companies.

One of the **Fireman's Fund Insurance Companies** as named in the declaration page of your policy

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Policyholder Message - 386636 08 17

Named Insured: SPRING MOUNTAIN VINEYARD INC

Policy Number: S 90 MZX 80997457

Important Information for Policyholders

If you have questions about your policy, please contact your independent agent or broker. If you have additional questions, you can contact the company issuing the policy listed on your Declarations page at the following address:

Allianz Global Corporate & Specialty
225 W. Washington Street, Suite 1800
Chicago, IL 60606-3484

Toll Free Telephone: 1-(888) 466-7883

Toll Free Telephone for Claims: 1-(800) 870-8857

Website: <http://www.agcs.allianz.com/>

Website Address for Support Services: <http://www.agcs.allianz.com/global-offices/united-states/support-services/>

The information above supersedes any other Company contact information you may have received with your policy.

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SMV 05419



POLICY NUMBER
S 90 MZX 80997457

Previous Policy Numbers
S 90 MZX 80988176

Coverage for sections
other than WORKERS'
COMPENSATION is provided
in the following Company:
ASSOCIATED INDEMNITY
CORPORATION
NOVATO, CA 94998
A STOCK INSURANCE CO. (13)

PORTFOLIO POLICY (R)

GENERAL DECLARATIONS

Risk ID. J04/

Named Insured and Mailing Address

SPRING MOUNTAIN VINEYARD, INC.
(Named Insureds are continued following the Premium Summary section of
these General Declarations)

2805 SPRING MOUNTAIN ROAD
SAINT HELENA CA 94574

Producer Name and Address

ARTHUR J GALLAGHER & CO

3697 MT DIABLO BLVD STE 300
LAFAYETTE CA 94549

The Named Insured is a(n) CORPORATION

Business or Operations of the Named Insured: WINERY & VINEYARD

Insurance is provided only under each coverage of this policy or the WORKERS'
COMPENSATION AND EMPLOYERS' LIABILITY POLICY listed below, subject otherwise to
all the terms and conditions of the General Provisions and of said Coverage(s)
or policy having reference thereto.

PROPERTY COVERAGES
GENERAL LIABILITY COVERAGES - OCCURRENCE
INLAND MARINE COVERAGES

Policy Period (For above coverages)

INCEPTION DATE 06-01-19

EXPIRATION DATE 06-01-20

Beginning and Ending at 12:01 A.M., Standard Time
at the address of the insured

GD - 1

SMV 05420

POLICY NUMBER **S 90 MZX 80997457**
 PORTFOLIO POLICY (R)
 Named Insured
 SPRING MOUNTAIN VINEYARD INC

GENERAL DECLARATIONS Continued

PREMIUM SUMMARY:

Estimated Annual Premium	\$120,576.00
Premium Due at Inception	\$120,576.00

Terrorism Risk Insurance Act ("The Act") - Certified Acts Coverage -
 All Coverages Subject to the Act Excl WC and Umbrella -
 Covered \$3,226

This Policy may be subject to Premium Adjustment per Policy Terms.

A \$10 INSTALLMENT FEE WILL BE ADDED TO EACH INSTALLMENT INVOICE.

(Named Insured continued)

GOOD WINE COMPANY, A DELAWARE CORPORATION
 CHATEAU CHEVALIER

LOCATIONS OF PREMISES--Applicable to Coverages specified in these Declarations
 (Not applicable to WORKERS' COMPENSATION AND EMPLOYERS' LIABILITY POLICY)

LOC.				
001	2805 SPRING MOUNTAIN RD (WINERY)			
	SAINT HELENA	CA 94574	NAPA	(CNTY)
002	2805 SPRING MOUNTAIN RD (VICTORIAN)			
	SAINT HELENA	CA 94574	NAPA	(CNTY)
003	2805 SPRING MOUNTAIN RD (COTTAGE)			
	SAINT HELENA	CA 94574	NAPA	(CNTY)
004	2805 SPRING MOUNTAIN RD (SHOP)			
	SAINT HELENA	CA 94574	NAPA	(CNTY)
005	2805 SPRING MOUNTAIN RD (BARN)			
	SAINT HELENA	CA 94574	NAPA	(CNTY)
006	3101 SPRING MOUNTAIN RD (WINERY)			
	SAINT HELENA	CA 94574	NAPA	(CNTY)

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SMV 05421

POLICY NUMBER S 90 MZX 80997457
 PORTFOLIO POLICY (R)
 Named Insured
 SPRING MOUNTAIN VINEYARD INC

GENERAL DECLARATIONS Continued

LOCATIONS OF PREMISES--Applicable to Coverages specified in these Declarations
 (Not applicable to WORKERS' COMPENSATION AND EMPLOYERS' LIABILITY POLICY)

LOC.	ADDRESS	CITY	STATE	ZIP	COUNTY
007	2849 SPRING MOUNTAIN RD (MAIN HOUSE)	SAINT HELENA	CA	94574	NAPA (CNTY)
008	2849 SPRING MOUNTAIN RD (GARAGE)	SAINT HELENA	CA	94574	NAPA (CNTY)
009	2849 SPRING MOUNTAIN RD (WINERY BLDG #1)	SAINT HELENA	CA	94574	NAPA (CNTY)
010	2849 SPRING MOUNTAIN RD (WINERY BLDG #2)	SAINT HELENA	CA	94574	NAPA (CNTY)
011	2849 SPRING MOUNTAIN RD (CARETAKER HOUSE)	SAINT HELENA	CA	94574	NAPA (CNTY)
012	2849 SPRING MOUNTAIN RD (GUEST HOUSE)	SAINT HELENA	CA	94574	NAPA (CNTY)
013	1150 DOWDELL LN (WINE STORAGE)	SAINT HELENA	CA	94574	NAPA (CNTY)
014	2820 SPRING MOUNTAIN RD (MAIN HOUSE)	SAINT HELENA	CA	94574	NAPA (CNTY)
015	2820 SPRING MOUNTAIN RD (CARETAKER RESIDENCE)	SAINT HELENA	CA	94574	NAPA (CNTY)
016	2820 SPRING MOUNTAIN RD (WINERY)	SAINT HELENA	CA	94574	NAPA (CNTY)
017	2805 SPRING MOUNTAIN RD (GREENHOUSE)	SAINT HELENA	CA	94574	NAPA (CNTY)
018	2805 SPRING MOUNTAIN RD (CAVE)	SAINT HELENA	CA	94574	NAPA (CNTY)
019	60 HARLOW COURT (WINE STORAGE)	NAPA	CA	94558	NAPA (CNTY)
020	241 TOWER ROAD (WINE STORAGE)	AMERICAN CANYON	CA	94503	NAPA (CNTY)

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SMV 05422

POLICY NUMBER S 90 MZX 80997457
 PORTFOLIO POLICY (R)
 Named Insured
 SPRING MOUNTAIN VINEYARD INC

GENERAL DECLARATIONS Continued

FORMS ATTACHED AT INCEPTION

GENERAL PROVISIONS

IL0003 09-08 CALCULATION OF PREMIUM (IL 00 03 09 08)
 IL0017 11-98 REV 2 COMMON POLICY CONDITIONS (IL 00 17 11 98)
 IL0021 09-08 NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT (BROAD FORM)
 (IL 00 21 09 08)
 IL0103 09-07 CALIFORNIA CHANGES - ACTUAL CASH VALUE (IL 01 03 09 07)
 IL0270 09-12 CALIFORNIA CHANGES - CANCELLATION AND NONRENEWAL
 (IL 02 70 09 12)
 IL0935 07-02 EXCLUSION OF CERTAIN COMPUTER-RELATED LOSSES (IL 09 35 07 02)
 IL7005 02-96 AMENDMENT OF POLICY - ADDITIONAL CONDITION (IL 70 05 02 96)
 143003 11-85 DIVIDEND PROVISIONS (143003 11-85)
 145900 04-08 FUNGI LIMITATION ENDORSEMENT (145900 04 08)
 145901 01-02 DETRIMENTAL CODE EXCLUSION (145901 01 02)
 145917CA 06-04 SILICA PARTICLES EXCLUSION - CALIFORNIA (145917CA 06 04)
 145927 01-15 DISCLOSURE OF PREMIUM AND ESTIMATED PREMIUM FOR CERTIFIED ACTS
 OF TERRORISM COVERAGE
 (PURSUANT TO TERRORISM RISK INSURANCE ACT)
 (145927 01 15)
 145977 01-11 COURTESY NOTICE OF CANCELLATION FOR OTHER THAN NONPAYMENT OF
 PREMIUM TO DESIGNATED ENTITIES (145977 01 11)
 145985 06-14 ECONOMIC OR TRADE SANCTIONS COMPLIANCE (145985 06 14)

PROPERTY

CP0299 06-07 CANCELLATION CHANGES (CP 02 99 06 07)
 143637 04-08 EARTHQUAKE SPRINKLER LEAKAGE ENDORSEMENT (143637 04 08)
 190001 05-94 REV PROPERTY-GARD SELECT REAL AND PERSONAL PROPERTY COVERAGE
 SECTION (190001 05 94R)
 190002 05-94 PROPERTY-GARD SELECT - GENERAL CONDITIONS (190002 05 94)
 190003 05-94 PROPERTY-GARD SELECT LOSS CONDITIONS (190003 05 94)
 190004 05-94 REV 2 PROPERTY-GARD SELECT ENDORSEMENT - BUSINESS INCOME WITH
 EXTRA EXPENSE (190004 05 94S)
 190005 05-94 PROPERTY-GARD SELECT ENDORSEMENT - EXTENDED BUSINESS INCOME
 COVERAGE (190005 05 94)
 190011 05-94 PROPERTY-GARD SELECT - TRANSPORTATION COVERAGE EXTENSION
 (190011 05 94)
 190014 05-94 PROPERTY-GARD SELECT ENDORSEMENT LOSS PAYABLE - PROVISIONS
 (190014 05 94)
 190072 09-00 PROPERTY-GARD SELECT ENDORSEMENT - CALIFORNIA CHANGES - ACTUAL
 CASH VALUE (190072 09 00)
 190083 07-03 PROPERTY-GARD SELECT - EQUIPMENT BREAKDOWN COVERAGE
 ENDORSEMENT(190083 07 03)
 190092 05-06 PROPERTY-GARD SELECT - BASIC EXTENSIONS OF COVERAGE FOR
 WINERIES (190092 05 06)
 190093 05-06 PROPERTY-GARD SELECT - ADDITIONAL EXTENSIONS OF COVERAGE FOR
 WINERIES (190093 05 06)

GD - 4

SMV 05423

POLICY NUMBER S 90 MZX 80997457
 PORTFOLIO POLICY (R)
 Named Insured
 SPRING MOUNTAIN VINEYARD INC

GENERAL DECLARATIONS Continued

FORMS ATTACHED AT INCEPTION

PROPERTY

190097 05-07 PROPERTY-GARD SELECT BUSINESS ACCESS COVERAGE ENDORSEMENT
 (190097 05 07)

GENERAL LIABILITY

CG0001 04-13 REV 2 COMMERCIAL GENERAL LIABILITY COVERAGE FORM
 (CG 00 01 04 13S)
 CG0033 04-13 REV LIQUOR LIABILITY COVERAGE (CG 00 33 04 13R)
 CG2015 04-13 ADDITIONAL INSURED - VENDORS (CG 20 15 04 13)
 CG2018 04-13 ADDITIONAL INSURED - MORTGAGEE, ASSIGNEE, OR RECEIVER
 (CG 20 18 04 13)
 CG2106 05-14 EXCLUSION - ACCESS OR DISCLOSURE OF CONFIDENTIAL OR PERSONAL
 INFORMATION AND DATA-RELATED LIABILITY - WITH LIMITED
 BODILY INJURY EXCEPTION (CG 21 06 05 14)
 CG2147 12-07 EMPLOYMENT - RELATED PRACTICES EXCLUSION (CG 21 47 12 07)
 CG2406 04-13 LIQUOR LIABILITY - BRING YOUR OWN ALCOHOL ESTABLISHMENTS -
 (CG 24 06 04 13)
 CG2504 05-09 DESIGNATED LOCATION(S) GENERAL AGGREGATE LIMIT (CG 25 04 05 09)
 CG3234 01-05 CALIFORNIA CHANGES (CG 32 34 01 05)
 CG7089 07-92 REV OTHER INSURANCE AMENDMENT ENDORSEMENT (CG 70 89 07 92R)
 CG7092 12-92 REV 2 COMPLETE LEAD POISONING AND LEAD CONTAMINATION
 EXCLUSION (CG 70 92 12 92 S)
 CG7093 12-92 REV COMPLETE ASBESTOS EXCLUSION (CG 70 93 12 92R)
 CG7158 01-14 MULTICOVER (CG 71 58 01 14)
 CG7170 08-05 AMENDMENT TO POLLUTION EXCLUSION (CG 71 70 08 05)
 CG7218 04-08 FUNGI OR BACTERIA EXCLUSION (CG 72 18 04 08)
 EB7000 12-97 EMPLOYEE BENEFITS ADMINISTRATION ERRORS AND OMISSIONS
 INSURANCE (EB 70 00 12 97)

INLAND MARINE

CM0001 09-04 COMMERCIAL INLAND MARINE CONDITIONS (CM 00 01 09 04)
 135154 01-83 REV CONTRACTORS EQUIPMENT FORM (135154-01-83REV)
 140559 12-86 REV CONDITIONS (140559 12 86R)
 140573 01-83 CONTRACTORS' EQUIPMENT FORM - PROPERTY LEASED, LOANED OR
 RENTED TO OTHERS (140573-01-83)
 140866 02-86 REV DEBRIS AND POLLUTANT REMOVAL POLICY AMENDMENT
 (140866 02-86R)
 140876 04-90 REV ELECTRONIC DATA PROCESSING COVERAGE FORM (140876-04-90R)
 141731 06-84 AMENDATORY ENDORSEMENT ("CONCURRENT CAUSE") (141731-06-84)

Countersignature of Authorized Agent: _____

Date 06/14/19

Producer ARTHUR J GALLAGHER & CO
 3697 MT DIABLO BLVD STE 300
 LAFAYETTE CA 94549

GD - 5

SMV 05424

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Calculation of Premium - IL 00 03 09 08

Policy Amendment(s) Commercial General Provisions

This endorsement modifies insurance provided under the following:

Capital Assets Program (Output Policy) Coverage Part
Commercial Automobile Coverage Part
Commercial General Liability Coverage Part
Commercial Inland Marine Coverage Part
Commercial Property Coverage Part
Crime and Fidelity Coverage Part
Employment-Related Practices Liability Coverage Part
Equipment Breakdown Coverage Part
Farm Coverage Part
Liquor Liability Coverage Part
Medical Professional Liability Coverage Part
Owners and Contractors Protective Liability Coverage Part
Pollution Liability Coverage Part
Products/Completed Operations Liability Coverage Part
Railroad Protective Liability Coverage Part

The following is added:

The premium shown in the Declarations was computed based on rates in effect at the time the policy was


issued. On each renewal, continuation, or anniversary of the effective date of this policy, we will compute the premium in accordance with our rates and rules then in effect.

This Form must be attached to Change Endorsement when issued after the policy is written.
One of the Fireman's Fund Insurance Companies as named in the policy

Secretary



President



IL0003 9-08
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SMV 05425

Common Policy Conditions - IL 00 17 11 98

All Coverage Parts included in this policy are subject to the following conditions.

A. Cancellation

1. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
2. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
 - a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
 - b. 30 days before the effective date of cancellation if we cancel for any other reason.
3. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.
4. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
5. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
6. If notice is mailed, proof of mailing will be sufficient proof of notice.

B. Changes

This policy contains all the agreements between you and us concerning the insurance afforded. The first Named Insured shown in the Declarations is authorized to make changes in the terms of this policy with our consent. This policy's terms can be amended or waived only by endorsement issued by us and made a part of this policy.

C. Examination of Your Books and Records

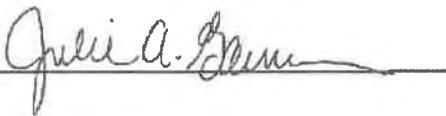
We may examine and audit your books and records as they relate to this policy at any time during the policy period and up to three years afterward.

D. Inspections and Surveys

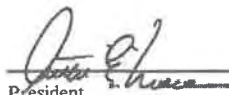
1. We have the right to:
 - a. Make inspections and surveys at any time;
 - b. Give you reports on the conditions we find; and
 - c. Recommend changes.
2. We are not obligated to make any inspections, surveys, reports or recommendations and any such actions we do undertake relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:

This Form must be attached to Change Endorsement when issued after the policy is written.
One of the Fireman's Fund Insurance Companies as named in the policy

Secretary



President



- a. Are safe or healthful; or
 - b. Comply with laws, regulations, codes or standards.
3. Paragraphs 1. and 2 of this condition apply not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.
 4. Paragraph 2. of this condition does not apply to any inspections, surveys, reports or recommendations we may make relative to certification, under state or municipal statutes, ordinances or regulations, of boilers, pressure vessels or elevators.

E. Premiums

The first Named Insured shown in the Declarations:

1. Is responsible for the payment of all premiums; and
2. Will be the payee for any return premiums we pay.

F. Transfer of Your Rights and Duties Under This Policy.

Your rights and duties under this policy may not be transferred without our written consent except in the case of death of an individual named insured.

If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having proper temporary custody of your property will have your rights and duties but only with respect to that property.

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Page 2 of 2

SMV 05427

Nuclear Energy Liability Exclusion Endorsement - Broad Form

IL 00 21 09 08

Policy Amendment(s) Commercial General Provisions

This endorsement modifies insurance provided under the following:

Commercial Automobile Coverage Part
Commercial General Liability Coverage Part
Farm Coverage Part
Liquor Liability Coverage Part
Medical Professional Liability Coverage Part
Owners and Contractors Protective Liability Coverage Part
Pollution Liability Coverage Part
Products/Completed Operations Liability Coverage Part
Railroad Protective Liability Coverage Part
Underground Storage Tank Policy

1. The insurance does not apply:

A. Under any Liability Coverage, to **bodily injury** or **property damage**:

- (1) With respect to which an **insured** under the policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or
- (2) Resulting from the **hazardous properties of nuclear material** and with respect to which (a) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (b) the **insured** is, or had this policy not been issued would be, entitled to

indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.

B. Under any Medical Payments coverage, to expenses incurred with respect to **bodily injury** resulting from **hazardous properties of nuclear material** and arising out of the operation of a **nuclear facility** by any person or organization.

C. Under any Liability Coverage, to **bodily injury** or **property damage** resulting from **hazardous properties of nuclear material** if:

- (1) The **nuclear material** (a) is at any **nuclear facility** owned by, or operated by or on behalf of, an **insured** or (b) has been discharged or dispersed therefrom:
- (2) The **nuclear material** is contained in **spent fuel** or **waste** at any time possessed, handled, used, processed, stored, transported or disposed of, by or on behalf of an **insured**; or

This Form must be attached to Change Endorsement when issued after the policy is written.
One of the **Fireman's Fund Insurance Companies** as named in the policy

Secretary



President



- (3) The **bodily injury** or **property damage** arises out of the furnishing by an **insured** of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any **nuclear facility**, but if such facility is located within the United States of America, its territories or possessions or Canada this exclusion (3) applies only to **property damage** to such **nuclear facility** and any property thereat.

2. As used in this endorsement

Hazardous properties included radioactive, toxic or explosive properties.

Nuclear material means **source material**, **special nuclear material** or **by-product material**.

Source material, **special nuclear material**, and **by-product material** have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof.

Spent fuel means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a **nuclear reactor**.

Waste means any waste material (a) containing **by-product material** other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its **source material** content, and (b) resulting from the operation by any person or organization of any **nuclear facility** included under

the first two paragraphs of the definition of **nuclear facility**.

Nuclear facility means:

- (a) Any **nuclear reactor**;
- (b) Any equipment or device designed or used for (1) separating the isotopes of uranium or plutonium, (2) processing or utilizing **spent fuel** or (3) handling, processing or packaging **waste**;
- (c) Any equipment or device used for the processing, fabricating or alloying of **special nuclear material** if at any time the total amount of such material in the custody of the **insured** at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;
- (d) Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of **waste**;

and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations.

Nuclear reactor means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material.

Property damage includes all forms of radioactive contamination of property.

California Changes - Actual Cash Value - IL 01 03 09 07

Policy Amendment(s) Commercial General Provisions

This endorsement modifies insurance provided under the following:

Crime and Fidelity Coverage Part
Equipment Breakdown Coverage Part

The following is added to any provision which uses the term actual cash value:

Actual cash value is calculated as the amount it would cost to repair or replace Covered Property, at the time of loss or damage, with material of like kind and quality, subject to a deduction for deterioration,

depreciation and obsolescence. Actual cash value applies to valuation of Covered Property regardless of whether that property has sustained partial or total loss or damage.

The actual cash value of the lost or damaged property may be significantly less than its replacement cost.

This Form must be attached to Change Endorsement when issued after the policy is written.

One of the Fireman's Fund Insurance Companies as named in the policy

Secretary



President



California Changes - Cancellation and Nonrenewal - IL 02 70 09 12

Policy Amendment(s) Commercial General Provisions

This endorsement modifies insurance provided under the following:

Capital Assets Program (Output Policy) Coverage Part
 Commercial Automobile Coverage Part
 Commercial General Liability Coverage Part
 Commercial Inland Marine Coverage Part
 Commercial Property Coverage Part
 Crime and Fidelity Coverage Part
 Employment-Related Practices Liability Coverage Part
 Equipment Breakdown Coverage Part
 Farm Coverage Part
 Liquor Liability Coverage Part
 Medical Professional Liability Coverage Part
 Pollution Liability Coverage Part
 Products/Completed Operations Liability Coverage Part

A. Paragraphs 2, 3, and 5. of the **Cancellation** Common Policy Condition are replaced by the following:

2. All Policies In Effect For 60 Days Or Less

If this policy has been in effect for 60 days or less, and is not a renewal of a policy we have previously issued, we may cancel this policy by mailing or delivering to the first Named Insured at the mailing address shown in the policy and to the producer of record, advance written notice of cancellation, stating the reason for cancellation, at least:

- a. 10 days before the effective date of cancellation if we cancel for:
 - (1) Nonpayment of premium; or
 - (2) Discovery of fraud by:
 - (a) Any insured or his or her representative in obtaining this insurance; or

(b) You or your representative in pursuing a claim under this policy.

b. 30 days before the effective date of cancellation if we cancel for any other reason.

3. All Policies In Effect For More Than 60 Days

a. If this policy has been in effect for more than 60 days, or is a renewal of a policy we issued, we may cancel this policy only upon the occurrence, after the effective date of the policy, of one or more of the following:

- (1) Nonpayment of premium, including payment due on a prior policy we issued and due during the current policy term covering the same risks.
- (2) Discovery of fraud or material misrepresentation by:

This Form must be attached to Change Endorsement when issued after the policy is written.
 One of the Fireman's Fund Insurance Companies as named in the policy

Secretary

President

- (a) Any insured or his or her representative in obtaining this insurance; or
 - (b) You or your representative in pursuing a claim under this policy.
- (3) A judgment by a court or an administrative tribunal that you have violated a California or Federal law, having as one of its necessary elements an act which materially increases any of the risks insured against.
- (4) Discovery of willful or grossly negligent acts or omissions, or of any violations of state laws or regulations establishing safety standards, by you or your representative, which materially increase any of the risks insured against.
- (5) Failure by you or your representative to implement reasonable loss control requirements, agreed to by you as a condition of policy issuance, or which were conditions precedent to our use of a particular rate or rating plan, if that failure materially increases any of the risks insured against.
- (6) A determination by the Commissioner of Insurance that the:
- (a) Loss of, or changes in, our reinsurance covering all or part of the risk would threaten our financial integrity or solvency; or
 - (b) Continuation of the policy coverage would:
 - (i) Place us in violation of California law or the laws of the state where we are domiciled; or
 - (ii) Threaten our solvency.
- (7) A change by you or your representative in the activities or property of the commercial or industrial enterprise, which results in a materially added, increased or changed risk, unless the added, increased or changed risk is included in the policy.
- b. We will mail or deliver advance written notice of cancellation, stating the reason for cancellation, to the first Named Insured, at the mailing address shown in the policy, and to the producer of record, at least:
- (1) 10 days before the effective date of cancellation if we cancel for non-payment of premium or discovery of fraud; or
 - (2) 30 days before the effective date of cancellation if we cancel for any other reason listed in Paragraph 3.a.
- B. The following provision is added to the **Cancellation Common Policy Condition**:
7. Residential Property
- This provision applies to coverage on real property which is used predominantly for residential purposes and consisting of not more than four dwelling units, and to coverage on tenants' household personal property in a residential unit, if such coverage is written under one of the following:
- Commercial Property Coverage Part
- Farm Coverage Part - Farm Property - Farm Dwellings, Appurtenant Structures And Household Personal Property Coverage Form
- a. If such coverage has been in effect for 60 days or less, and is not a renewal of coverage we previously issued, we may cancel this coverage for any reason, except as provided in b. and c. below.
 - b. We may not cancel this policy solely because the first Named Insured has:
 - (1) Accepted an offer of earthquake coverage; or
 - (2) Cancelled or did not renew a policy issued by the California Earthquake Authority (CEA) that included an

earthquake policy premium surcharge.

However, we shall cancel this policy if the first Named Insured has accepted a new or renewal policy issued by the CEA that includes an earthquake policy premium surcharge but fails to pay the earthquake policy premium surcharge authorized by the CEA.

- c. We may not cancel such coverage solely because corrosive soil conditions exist on the premises. This restriction (c.) applies only if coverage is subject to one of the following, which exclude loss or damage caused by or resulting from corrosive soil conditions:

- (1) Commercial Property Coverage Part - Causes Of Loss - Special Form; or
- (2) Farm Coverage Part - Causes Of Loss Form - Farm Property, Paragraph D. Covered Causes Of Loss - Special.

- C. The following is added and supersedes any provisions to the contrary:

Nonrenewal

1. Subject to the provisions of Paragraphs C.2. and C.3. below, if we elect not to renew this policy, we will mail or deliver written notice, stating the reason for nonrenewal, to the first Named Insured shown in the Declarations, and to the producer of record, at least 60 days, but not more than 120 days, before the expiration or anniversary date.

We will mail or deliver our notice to the first Named Insured, and to the producer of record, at the mailing address shown in the policy.

2. Residential Property

This provision applies to coverage on real property used predominantly for residential purposes and consisting of not more than four dwelling units, and to coverage on tenants' household property contained in a residential

unit, if such coverage is written under one of the following:

Commercial Property Coverage Part

Farm Coverage Part - Farm Property - Farm Dwellings, Appurtenant Structures And Household Personal Property Coverage Form

- a. We may elect not to renew such coverage for any reason, except as provided in b., c. and d. below.
- b. We will not refuse to renew such coverage solely because the first Named Insured has accepted an offer of earthquake coverage.

However, the following applies only to insurers who are associate participating insurers as established by Cal. Ins. Code Section 10089.16. We may elect not to renew such coverage after the first Named Insured has accepted an offer of earthquake coverage, if one or more of the following reasons applies:

- (1) The nonrenewal is based on sound underwriting principles that relate to the coverages provided by this policy and that are consistent with the approved rating plan and related documents filed with the Department of Insurance as required by existing law;
- (2) The Commissioner of Insurance finds that the exposure to potential losses will threaten our solvency or place us in a hazardous condition. A hazardous condition includes, but is not limited to, a condition in which we make claims payments for losses resulting from an earthquake that occurred within the preceding two years and that required a reduction in policyholder surplus of at least 25% for payment of those claims; or
- (3) We have:
 - (a) Lost or experienced a substantial reduction in the availability or scope of reinsurance coverage; or

- (b) Experienced a substantial increase in the premium charged for reinsurance coverage of our residential property insurance policies; and

the Commissioner has approved a plan for the nonrenewals that is fair and equitable, and that is responsive to the changes in our reinsurance position.

- c. We will not refuse to renew such coverage solely because the first Named Insured has cancelled or did not renew a policy, issued by the California Earthquake Authority that included an earthquake policy premium surcharge.
- d. We will not refuse to renew such coverage solely because corrosive soil conditions exist on the premises. This restriction (d.) applies only if coverage is subject to one of the following, which exclude loss or damage caused by or resulting from corrosive soil conditions:
 - (1) Commercial Property Coverage Part - Causes Of Loss - Special Form; or
 - (2) Farm Coverage Part - Causes Of Loss Form - Farm Property, Paragraph D. Covered Causes Of Loss - Special.

- 3. We are not required to send notice of nonrenewal in the following situations:
 - a. If the transfer or renewal of a policy, without any changes in terms, conditions or rates, is between us and a member of our insurance group.
 - b. If the policy has been extended for 90 days or less, provided that notice has been given in accordance with Paragraph C.1.
 - c. If you have obtained replacement coverage, or if the first Named Insured has agreed, in writing, within 60 days of the termination of the policy, to obtain that coverage.
 - d. If the policy is for a period of no more than 60 days and you are notified at the time of issuance that it will not be renewed.
 - e. If the first Named Insured requests a change in the terms or conditions or risks covered by the policy within 60 days of the end of the policy period.
 - f. If we have made a written offer to the first Named Insured, in accordance with the timeframes shown in Paragraph C.1., to renew the policy under changed terms or conditions or at an increased premium rate, when the increase exceeds 25%.

Exclusion of Certain Computer-Related Losses - IL 09 35 07 02

Policy Amendment(s) Commercial General Provisions

This endorsement modifies insurance provided under the following:

Commercial Inland Marine Coverage Part
 Commercial Property Coverage Part
 Crime and Fidelity Coverage Part
 Standard Property Policy

A. We will not pay for loss (loss) or damage caused directly or indirectly by the following. Such loss (loss) or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss (loss) or damage.

1. The failure, malfunction or inadequacy of:

a. Any of the following, whether belonging to any insured or to others:

- (1) Computer hardware, including microprocessors;
- (2) Computer application software;
- (3) Computer operating systems and related software;
- (4) Computer networks;
- (5) Microprocessors (computer chips) not part of any computer system; or
- (6) Any other computerized or electronic equipment or components; or

b. Any other products, and any services, data or functions that directly or indirectly use or rely upon, in any manner, any of the items listed in Paragraph A.1.a. of this endorsement;

due to the inability to correctly recognize, process, distinguish, interpret or accept one or more dates or times. An example is the

inability of computer software to recognize the year 2000.

2. Any advice, consultation, design, evaluation, inspection, installation, maintenance, repair, replacement or supervision provided or done by you or for you to determine, rectify or test for, any potential or actual problems described in Paragraph A.1. of this endorsement.

B. If an excluded Cause of Loss as described in Paragraph A. of this endorsement results:

1. In a Covered Cause of Loss under the Crime and Fidelity Coverage Part, the Commercial Inland Marine Coverage Part or the Standard Property Policy; or

2. Under the Commercial Property Coverage Part:

a. In a **Specified Cause of Loss**, or in elevator collision resulting from mechanical breakdown, under the Causes of Loss - Special Form; or

b. In a Covered Cause of Loss under the Causes Of Loss - Basic Form or the Causes Of Loss - Broad Form;

we will pay only for the loss (loss) or damage caused by such **Specified Cause of Loss**, elevator collision, or Covered Cause of Loss.

C. We will not pay for repair, replacement or modification of any items in Paragraphs A.1.a. and A.1.b. of this endorsement to correct any deficiencies or change any features.

This Form must be attached to Change Endorsement when issued after the policy is written.
 One of the **Fireman's Fund Insurance Companies** as named in the policy

Secretary

President

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SMV 05435

Amendment of Policy - Additional Condition - IL 70 05 02 96

Policy Amendment(s) Commercial General Provisions

This endorsement modifies insurance provided under the following:

American Business Coverage
Commercial General Liability
Automobile
Crime
Inland Marine
Farm Property
Farm Liability

You and we agree to add this condition to the policy:

Two or More Policies Issued By Us

The Other Insurance provisions changed to add the following:

If the same occurrence, accident, loss or damage is covered under more than one policy issued by us or a company affiliated with us, the following applies:

1. The maximum Limit of Insurance that applies under all policies shall not exceed the highest limit that applies under any one policy.

2. For Farm Liability, General Liability or Automobile: we will not provide coverage after the aggregate limit of insurance that applies under any one policy:

- a. has been exhausted; or
- b. would have been exhausted had all covered claims been submitted under that one policy rather than under two or more policies.

This condition does not apply to a policy issued to apply as excess over this policy.

This Form must be attached to Change Endorsement when issued after the policy is written.
One of the Fireman's Fund Insurance Companies as named in the policy

Secretary



President



Dividend Provisions - 143003 11 85

Policy Amendment Commercial General Provisions

Dividend Provision

Except as respects the states of New York, Oklahoma and Texas, this policy shall participate in profits as apportioned by the directors.

Dividend Provision-Oklahoma and New York

The insured shall participate in the earnings of the company, to such extent and upon such conditions as shall be determined by the Board of Directors of the company in accordance with law and as made

applicable to this policy, provided the insured shall have complied with all of the terms of this policy with respect of the payment of premium.

Dividend Provision-Participating Companies (Applicable in the State of Texas)

The named insured shall be entitled to participate in a distribution of the surplus of the company as determined by its Board of Directors from time to time, after approval in accordance with the provisions of the Texas Insurance Code, of 1951, as amended.

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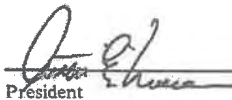
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This Form must be attached to Change Endorsement when issued after the policy is written.
One of the **Fireman's Fund Insurance Companies** as named in the policy



President

143003 11-85R

SMV 05437

Fungi Limitation Endorsement - 145900 04 08

Policy Amendment(s)

This endorsement modifies insurance provided under the following:

Commercial Property Coverage Part

Property-Gard Select Real and Personal Property Coverage Section

Commercial Inland Marine Coverage Part

Standard Property Policy

All Other Property or Inland Marine Coverage Forms, Sections, or Endorsements attached to this policy

Schedule of Additional Limit

___ \$50,000
___ \$100,000
___ \$250,000

Schedule of Locations

Description of Business Real Property to which this endorsement applies:

Location Number	Address
-----------------	---------

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

With respect to the location(s) shown in the above Schedule, the coverage parts, coverage sections, forms, or endorsements described above and attached to this policy are amended as follows.

1. The terms fungus and mold are deleted wherever they may appear in the coverage parts, coverage sections, forms, or endorsements described above and attached to this policy.
2. The following exclusion applies to any coverage part, coverage form, coverage section, coverage provision, extension of coverage, additional coverage, coverage enhancement, or amendatory endorsement attached to this policy:
 - a. This insurance does not apply to any loss, damage, expense, injury, economic loss, economic detriment, liability, or claim, directly or indirectly, arising out of, caused by, resulting from, happening through, or in consequence of **fungi**, notwithstanding any other provision of this policy to the contrary. This includes the cost to test for, monitor, abate, mitigate, remove, dispose of, or remediate **fungi**.

This Form must be attached to Change Endorsement when issued after the policy is written.

One of the Fireman's Fund Insurance Companies as named in the policy

Secretary



President



- b. Such loss, damage, expense, injury, economic loss, economic detriment, liability, or claim is excluded regardless of any other cause, condition, event, material, product or building component, that contributes concurrently or in any sequence to the loss, damage, expense, injury, economic loss, economic detriment, liability, or claim.

3. The following coverage extension is added:

Fungi

- a. If **fungi** is the result of a Covered Cause of Loss, we will pay, subject to the limitation in subsection 3.d. (below), for:

- (1) Direct physical loss of or damage to Covered Property, or Property Insured; or
- (2) Your liability for property of others;

At the premises shown in the Declarations, caused by or resulting from **fungi**. This includes the necessary and reasonable cost incurred to test for, monitor, abate, mitigate, remove, dispose of, or remediate **fungi**.

- b. Coverage provided by this extension applies only if the presence of **fungi** is reported to us within 30 days of the occurrence of the covered loss that is alleged to have caused this condition.

- c. Coverage provided by this extension includes:

- (1) The actual loss of Business Income you sustain;
- (2) The necessary Extra Expense you incur; or
- (3) Ordinance or Law Coverage;

if the Coverage Section, policy Declarations, or an endorsement attached to this policy

show that you have Business Income, Extra Expense, or Ordinance or Law Coverage.

- d. Regardless of any other limits or coverages stated in this policy, or the number of locations involved, the most we will pay under this coverage extension in any one occurrence or in the **annual aggregate** during the policy period is \$25,000 or the amount indicated in the above Schedule of Additional Limit. The provisions of this extension do not increase any Limits of Insurance provided by this policy.

4. Additional Definitions

- a. **Annual Aggregate** means the most we will pay for all loss or damage arising from all occurrence(s) during any one Policy Period. **Annual aggregate** Limit(s) of Insurance are reduced by the amount of any paid loss insured under this coverage extension.

If the policy is written for a term of more than one year, we will apply the **annual aggregate** limit of insurance separately to each consecutive year of the Policy Period. If the policy is extended for a period of time that is less than a year, the **annual aggregate** from the prior term applies to the extended period of time.

- b. **Fungi** means all types of fungus, such as mildew and mold, and all of their resulting spores and byproducts, including mycotoxins and allergens. **Fungi** does not mean **fungi** for human ingestion.

For purposes of this Fungi Coverage Extension, **fungi** is not considered a **pollutant**.

This endorsement is otherwise subject to all other terms, conditions, provisions and stipulations of the policy to which it is attached.

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Detrimental Code Exclusion - 145901 01 02

Policy Amendment(s)

This endorsement modifies insurance provided under the following:

Commercial Property Coverage Part

Property-Gard Select Real and Personal Property Coverage Section

Commercial Inland Marine Coverage Part

Commercial Crime Coverage Part

Standard Property Policy

All Other Property, Inland Marine, or Crime Coverage Forms or Endorsements attached to this policy

The following exclusion applies to any coverage part, coverage form, coverage section, coverage provision, extension of coverage, additional coverage, coverage enhancement, or amendatory endorsement attached to this policy:

1. This insurance does not apply to any loss, damage, expense, injury, economic loss, economic detriment, liability, or claim, directly or indirectly, arising out of, caused by, resulting from, happening through, or in consequence of **detrimental code**, notwithstanding any other provision of this policy to the contrary.
2. Such loss, damage, expense, injury, economic loss, economic detriment, liability, or claim is excluded regardless of any other cause, condition, or event that contributes concurrently or in any sequence

to the loss, damage, expense, injury, economic loss, economic detriment, liability, or claim.

3. This exclusion applies regardless of who introduced the **detrimental code**, even if the **detrimental code** was introduced by your employees.

Definition:

Detrimental code means any computer virus, program, routine, sub-routine, trojan horse, worm, script or other code string that destroys, alters, or corrupts Covered Property, Property Insured, or property of others for which you are liable, regardless of how the **detrimental code** was introduced or acquired.

This endorsement is otherwise subject to all terms, conditions, provisions and stipulations of the policy to which it is attached.

This Form must be attached to Change Endorsement when issued after the policy is written.
One of the Fireman's Fund Insurance Companies as named in the policy

Secretary



President



Silica Particles Exclusion - California - 145917CA 06 04

Policy Amendment(s)

This endorsement modifies insurance provided under the following:

Commercial General Liability Coverage
Liquor Liability Coverage
Owners and Contractors Protective Liability Coverage
Pollution Liability Coverage
Products/Completed Operations Liability Coverage
Railroad Protective Liability Coverage
Underground Storage Tank Liability Coverage
Farm Liability Coverage
American Business Coverage (Section II)
Garage Coverage (Section II)

The following exclusion is added:

This insurance does not apply to any claim or liability arising, in whole or in part, directly or indirectly out of, or which is in any way related to, **Silica**.

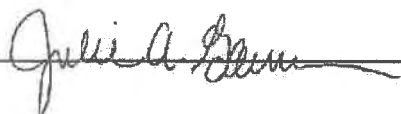
As used in this exclusion, the term **Silica** includes, but is not limited to, the actual or threatened exposure to,

inhalation of or contact with, silicon dioxide, silica, silica products, silica fibers, silica dust, any other silica byproducts, and silica, whether alone or in combination with any substance, product or material.

Without limiting the foregoing, this exclusion applies to every injury, damage, loss, cost or expense otherwise covered by this policy, if any.

This Form must be attached to Change Endorsement when issued after the policy is written.
One of the **Fireman's Fund Insurance Companies** as named in the policy

Secretary



President



145917CA 6-04 CA

SMV 05441

Disclosure of Premium and Estimated Premium for Certified Acts of Terrorism Coverage (Pursuant to Terrorism Risk Insurance Act) 145927 01 15

This Endorsement is attached to and made part of your policy in response to the disclosure requirements of the Terrorism Risk Insurance Act.

A. Disclosure of Premium

In accordance with the federal Terrorism Risk Insurance Act, as amended, we are required to provide you with a notice disclosing the portion of your premium, if any, attributable to coverage for terrorist acts certified under the Terrorism Risk Insurance Act, as amended ("certified acts of terrorism"). The portion of your premium attributable to such coverage is shown in the policy Declarations. This premium is based on the rates in effect at the time of policy issuance or policy anniversary and was calculated for the full term of the current policy period.

B. Disclosure of Federal Participation in Payment of Terrorism Losses

The United States Government, Department of the Treasury, will pay a share of terrorism losses insured under the federal program. The federal share equals 85% through 2015; 84% beginning on January 1, 2016; 83% beginning on January 1, 2017; 82% beginning on January 1, 2018; 81% beginning on January 1, 2019 and 80% beginning on January 1, 2020 of that portion of the amount of such insured losses that exceeds the applicable insurer retention. However, if aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act, as amended, exceed \$100 billion in a calendar year, the Treasury shall not make any payment for any portion of the amount of such losses that exceed \$100 billion.

C. Cap on Insurer Participation in Payment of Terrorism Losses

If aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act, as amended, exceed \$100 billion in a calendar

year and we have met our insurer deductible under the Terrorism Risk Insurance Act, as amended, then we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

D. Possibility of Additional or Return Premium

The premium for **certified acts of terrorism** coverage is calculated based in part on the federal participation in payment of terrorism losses as set forth in the Terrorism Risk Insurance Act, as amended. If the federal program terminates or if the level or terms of federal participation change, the premium charge for acts of terrorism as shown in the Declarations of this policy may also change. If this policy contains a Conditional Exclusion, continuation of coverage for **certified acts of terrorism**, or termination of such coverage, will be determined upon disposition of the federal program, subject to the terms and conditions of the Conditional Exclusion. If this policy does not contain a Conditional Exclusion, coverage for **certified acts of terrorism** will continue. In either case, when disposition of the federal program is determined, we will recalculate the premium charge made for those acts of terrorism covered by the Terrorism Risk Insurance Act, as amended, that remain covered by this policy after the disposition of the federal program. We will calculate the premium charge as follows:

1. We will calculate the pro-rated premium shown in the Declarations for **certified acts of terrorism** from the effective date of your policy to the date of expiration or change of the federal program.

This Form must be attached to Change Endorsement when issued after the policy is written.
One of the Fireman's Fund Insurance Companies as named in the policy

2. We will calculate the pro-rated premium charge for acts of terrorism that remain covered for the policy period that remains in effect from the expiration or change of the federal Program to the anniversary or expiration date of your policy.
3. We will add the amount determined in D.1. above to the amount determined in D.2. above. Such premium will be your revised annual premium for coverage for acts of terrorism.

- a. If the revised annual premium determined above is an additional premium, this additional premium may be waived by us for the remainder of the policy term.
- b. If the revised annual premium determined above is a return premium, we will refund this amount to you.

All other terms and conditions of the policy remain unchanged.

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**Courtesy Notice of Cancellation for Other Than
Nonpayment of Premium to Designated Entities - 145977 01 11**
Policy Amendment

Schedule

Name and Address of Person(s) or Organizations	Number of Days Notice if other than 10 days:
---	---

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

This policy is amended as follows:

- A. If We cancel this policy prior to expiration for any reason other than non payment of premium or at Your request, and we have been notified that You are required under a current contractual obligation to notify a certificate of insurance holder or holders when this policy is canceled, then We will endeavor to mail or deliver a copy of such written notice of cancellation to the certificate holder(s) shown in the Schedule above, as follows:
1. To the name and address corresponding to each certificate of insurance holder indicated in the Schedule above; and
 2. At least 10 days prior to the effective date of the cancellation, as shown in our notice to the first Named Insured, or, if indicated, the longer number of days notice shown in the Schedule above.
- B. Notwithstanding the foregoing, such notice of cancellation is provided on an informational basis and solely to assist You in informing the certificate of insurance holder(s) in advance of pending cancellation in coverage to assist you in meeting Your contractual notice requirements to such parties. Our failure to provide such advance notification to the certificate of insurance holder(s) shown in the Schedule of this endorsement will not extend any policy cancellation date, negate any cancellation of the policy, or grant, alter or extend any rights or obligations under this policy and we shall have no liability for any failure to provide the notice(s) as provided herein.

All other terms and conditions of this policy remain unchanged.

>

This Form must be attached to Change Endorsement when issued after the policy is written.
One of the **Fireman's Fund Insurance Companies** as named in the policy

145977 1-11
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SMV 05444

Economic or Trade Sanctions Compliance - 145985 06 14
Policy Amendment

The following is added to the Policy and replaces any other provision in the Policy addressing economic or trade sanctions:

This insurance does not apply to the extent that economic or trade sanctions or other laws or regulations prohibit us (the Company) from providing insurance.

All other terms and conditions of the policy remain unchanged.

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This Form must be attached to Change Endorsement when issued after the policy is written.
One of the Fireman's Fund Insurance Companies as named in the policy

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SMV 05445



PROPERTY

Property

PR

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SMV 05446

POLICY NUMBER S 90 MZX 80997457

NAMED INSURED
SPRING MOUNTAIN VINEYARD INC

PORTFOLIO POLICY (R)

PROPERTY-GARD SELECT DECLARATIONS

INSURANCE IS PROVIDED ONLY FOR THOSE COVERAGES FOR WHICH AN ENTRY IS SHOWN
AND FOR WHICH LIMITS OF INSURANCE ARE STATED IN THE PLACE PROVIDED IN THESE
DECLARATIONS. THESE DECLARATIONS ARE ISSUED WITH AND ARE A PART OF THE
PROPERTY-GARD SELECT COVERAGE SECTION.

COMBINED BUSINESS REAL AND PERSONAL PROPERTY

BLANKET LIMITS OF INSURANCE: \$36,613,321 DEDUCTIBLE: \$10,000 COINS 100
LOC. 001-012
014-018

EXCLUDING PERSONAL PROPERTY FROM:

LOC.(S) 003,004,005,006,007,008,009,010,011,012,014,015,016,017
018

BUSINESS PERSONAL PROPERTY - REPLACEMENT COST
APPLIES AT LOCATIONS 001,002

BUSINESS PERSONAL PROPERTY - AGREED AMOUNT (REFER TO AGREED AMOUNT ENDORSEMENT)
APPLIES AT LOCATIONS 001,002

BUSINESS REAL PROPERTY - REPLACEMENT COST
APPLIES AT LOCATIONS 001,002,003,004,005,006,007,008,009,010,011,012,014,015
016,017,018

BUSINESS REAL PROPERTY - AGREED AMOUNT (REFER TO AGREED AMOUNT ENDORSEMENT)
APPLIES AT LOCATIONS 001,002,003,004,005,006,007,008,009,010,011,012,014,015
016,017,018

TIME ELEMENT

BUSINESS INCOME AND RENTAL VALUE

PR - 1

SMV 05447

POLICY NUMBER S 90 MZX 80997457
 NAMED INSURED
 SPRING MOUNTAIN VINEYARD INC
 PORTFOLIO POLICY (R)

FOR BUSINESS INCOME COVERAGE ONLY						
LOC.	COINS	LIMITS OF INS	INCL. LIMITED ORD. ORD.	NO.OF DAYS	EXCL.ORD. PAYROLL	EXTENDED BI (REFER TO 190005) NO OF DAYS
BLANKET LIMITS OF INSURANCE			COINSURANCE			
		\$2,887,279				100
	LOC. 001-020		X			

TIME ELEMENT - AGREED AMOUNT (REFER TO AGREED AMOUNT ENDORSEMENT)
 APPLIES AT LOCATIONS 001,002,003,004,005,006,007,008,009,010,011,012,013,014
 015,016,017,019,020

PROPERTY ENDORSEMENTS

PROPERTY-GARD SELECT - GENERAL CONDITIONS (190002 05 94)

PROPERTY-GARD SELECT ENDORSEMENT - BUSINESS INCOME WITH EXTRA EXPENSE
 (190004 05 94S)

PROPERTY-GARD SELECT - TRANSPORTATION COVERAGE EXTENSION (190011 05 94)

PROPERTY-GARD SELECT LOSS CONDITIONS (190003 05 94)

PROPERTY-GARD SELECT ENDORSEMENT - EXTENDED BUSINESS INCOME COVERAGE
 (190005 05 94)

SUPPLEMENTARY STATE ENDORSEMENT(S)

CALIFORNIA

PROPERTY-GARD SELECT ENDORSEMENT - CALIFORNIA CHANGES - ACTUAL CASH VALUE
 (190072 09 00)

ENDORSEMENTS - OTHER PROPERTY COVERAGE

001 AGREED AMOUNT FOR BUSINESS PERSONAL PROPERTY AND/OR BUSINESS
 REAL PROPERTY

UNTIL 06-01-2020 WHEN "AGREED AMOUNT" APPEARS ON THE DECLARATIONS OF
 THIS COVERAGE SECTION, THE LIMIT OF INSURANCE SHOWN ON THE DECLARATIONS
 OF THIS COVERAGE SECTION AT THE APPLICABLE LOCATION(S) COVERED UNDER
 THIS POLICY REPRESENTS 100% OF THE VALUE OF THE PROPERTY.

PR - 2

SMV 05448

POLICY NUMBER S 90 MZX 80997457

NAMED INSURED
SPRING MOUNTAIN VINEYARD INC

PORTFOLIO POLICY (R)

ENDORSEMENTS - OTHER PROPERTY COVERAGE (CONTINUED)

**001 AGREED AMOUNT FOR BUSINESS PERSONAL PROPERTY AND/OR BUSINESS
REAL PROPERTY**
(CONTINUED)

IF THE ABOVE EXPIRATION DATE IS NOT EXTENDED, THE COINSURANCE PROVISIONS
UNDER PARAGRAPH J. OF THE PROPERTY-GARD SELECT REAL AND PERSONAL
PROPERTY COVERAGE SECTION - 190001 SHALL APPLY.

002 AGREED AMOUNT FOR BUSINESS INCOME

UNTIL 06-01-2020 WHEN "AGREED AMOUNT" APPEARS ON THE DECLARATIONS OF
THIS COVERAGE SECTION, THE LIMIT OF INSURANCE SHOWN ON THE DECLARATIONS
OF THIS COVERAGE SECTION AT THE APPLICABLE LOCATION(S) COVERED UNDER
THIS POLICY REPRESENTS 100% OF THE VALUE OF YOUR BUSINESS INCOME
OR RENTAL VALUE.

IF THE ABOVE EXPIRATION DATE IS NOT EXTENDED, THE COINSURANCE PROVISIONS
UNDER PARAGRAPH E. OF THE PROPERTY-GARD SELECT BUSINESS INCOME WITH
EXTRA EXPENSE COVERAGE ENDORSEMENT - 190004 SHALL APPLY.

**003 PROPERTY-GARD SELECT REAL AND PERSONAL PROPERTY
COVERAGE SECTION 190001 05 94**

The Property-Gard Select Real and Personal Property Coverage Section
190001 is amended as follows:

A. Item 8., stock of section N. Definitions, is deleted and
replaced with the following:

8. Stock means merchandise held in storage or for sale,
raw materials and in-process or finished goods that
are not included within the definition of harvested fruit or
wine product. Stock includes supplies used in packing or
shipping of any of these, including the packing and

PR - 3

SMV 05449

POLICY NUMBER S 90 MZX 80997457
NAMED INSURED
SPRING MOUNTAIN VINEYARD INC
PORTFOLIO POLICY (R)

ENDORSEMENTS - OTHER PROPERTY COVERAGE (CONTINUED)

**003 PROPERTY-GARD SELECT REAL AND PERSONAL PROPERTY
 COVERAGE SECTION 190001 05 94**
(CONTINUED)

shipping of harvested fruit or wine product.

Item 3., stock, of Section K., Valuation, will not apply to
any wine product.

B. The following is added to Section N., Definitions:

1. Harvested fruit means grapes that have been removed
from the vine to be used in producing wine product.
2. Wine product means:
 - a. Juice from harvested fruit;
 - b. Wine in any state of fermentation;
 - c. Wine in tanks, barrels or bottles or in the
process of being placed in tanks, barrels,
or bottles;
 - d. Products you make from wine.

**C. The following is added to Section C. Property Not Insured of
the Property-Gard Select Real and Personal Property Coverage
section 190001:**

1. Harvested Fruit; or
2. Wine Product

004 SCHEDULE OF MORTGAGEE

SCHEDULE

LOCATION(S) MORTGAGEE NAME AND ADDRESS

**001 WILMINGTON TRUST, N.A., AS ADMINISTRATIVE AGENT
 ATTN: RENEE KUHL**

POLICY NUMBER S 90 MZX 80997457

NAMED INSURED
SPRING MOUNTAIN VINEYARD INC

PORTFOLIO POLICY (R)

ENDORSEMENTS - OTHER PROPERTY COVERAGE (CONTINUED)

004 SCHEDULE OF MORTGAGEE
(CONTINUED)50 SOUTH SIXTH ST, SUITE 1290
MINNEAPOLIS, MN 55402

143637 Earthquake Sprinkler Leakage Endorsement - 143637 04 08

SCHEDULE

LIMITS OF INSURANCE

LOCATION(S)	BLANKET PER OCCURRENCE LIMIT OF INSURANCE
ALL LOCATIONS NOT COVERED	\$ _____

LOCATION(S)	PER OCCURRENCE SUBLIMIT(S) OF INSURANCE
ALL LOCATIONS NOT COVERED	\$ _____
	\$ _____
	\$ _____
	\$ _____

LOCATION(S)	PROPERTY DAMAGE DEDUCTIBLE SCHEDULE		MINIMUM DEDUCTIBLE
	DOLLAR DEDUCTIBLE AMOUNT(\$)	PERCENTAGE AMOUNT(%)	
	\$ _____	_____ %	\$ _____
	\$ _____	_____ %	\$ _____
	\$ _____	_____ %	\$ _____

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PR - 5

SMV 05451

POLICY NUMBER S 90 MZX 80997457

NAMED INSURED
SPRING MOUNTAIN VINEYARD INC

PORTFOLIO POLICY (R)

ENDORSEMENTS - OTHER PROPERTY COVERAGE (CONTINUED)

143637 Earthquake Sprinkler Leakage Endorsement - 143637 04 08
(CONTINUED)

LOCATION(S)	BUSINESS INCOME OR RENTAL VALUE DEDUCTIBLE SCHEDULE		
	DOLLAR DEDUCTIBLE	HOUR	MINIMUM
	AMOUNT(\$)	DEDUCTIBLE	DEDUCTIBLE
	\$ _____	____ Hours	\$ _____
	\$ _____	____ Hours	\$ _____
	\$ _____	____ Hours	\$ _____

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A Blanket Per Occurrence Limit of Insurance or Per Occurrence Sublimit of Insurance must be shown in the above Schedule, or in the Declarations applicable to this Endorsement, in order for coverage under this Endorsement to apply.

If no Blanket Per Occurrence Limit of Insurance or no Sublimit is shown in the Schedule of this Endorsement, or in the Declarations applicable to this Endorsement, then the coverage provided by this Endorsement does not apply.

If "0", "N/A", or "not covered" is shown as a Blanket Per Occurrence Limit of Insurance or as a Per Occurrence Sublimit of Insurance in the above Schedule, or in the Declarations applicable to this Endorsement, the coverage provided by this Endorsement does not apply.

190014 Property-Gard Select Endorsement - Loss Payable Provisions
190014 05 94

Schedule

Loc. No.(s)	Description of Property	Loss Payee	Provisions Applicable
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PR - 6

SMV 05452

POLICY NUMBER S 90 MZX 80997457

NAMED INSURED
SPRING MOUNTAIN VINEYARD INC

PORTFOLIO POLICY (R)

ENDORSEMENTS - OTHER PROPERTY COVERAGE (CONTINUED)

190014	Property-Gard Select Endorsement - Loss Payable Provisions	
(CONTINUED)	190014 05 94	(A., B., or C.)
001	AT&T CAPITAL SERVICES INC 2000 W AT&T CENTER DR HOFFMAN ESTATES, IL 60192	A
001	MGG CALIFORNIA LLC AS COLLATERAL AGENT ISAOA ONE PENN PLAZA, STE 5320 NEW YORK, NY 10119	A
001	AT&T CAPITAL SERVICES, INC 2000 W AT&T CENTER DR HOFFMAN ESTATES, IL 60192	A
001	RENTED/LEASED EQUIPMENT BCT SOLUTIONS, LP 1420 CENTURY CT, SUITE A SANTA ROSA, CA 95403	A
001	RENTED/LEASED EQUIPMENT BLUELINE RENTAL, LLC 8401 NEW TRAILS DR, SUITE 150 THE WOODLANDS, TX 77381	A

190092 PROPERTY-GARD SELECT - BASIC EXTENSION OF COVERAGE
FOR WINERIES (190092 05 06)

Schedule

Coverage	Combined Limit	Limit of Insurance	Deductible \$ Gallons
Wine caves		Included w/Policy	Policy Deductible
Animal Damage	COMBINED		\$ 1,000

PR - 7

SMV 05453

POLICY NUMBER S 90 MZX 80997457

NAMED INSURED
SPRING MOUNTAIN VINEYARD INC

PORTFOLIO POLICY (R)

ENDORSEMENTS - OTHER PROPERTY COVERAGE (CONTINUED)

190092		PROPERTY-GARD SELECT - BASIC EXTENSION OF COVERAGE FOR WINERIES (190092 05 06)			
(CONTINUED)					
Beverage Leakage			NOT COVERED		
Contract Penalty			NOT COVERED		
Damage during Production			NOT COVERED		
Employee Theft-Limited and Forgery-Limited					
Per Occurrence	N/A	\$	25,000	\$	1,000
Annual Aggregate	N/A	\$	50,000	\$	1,000
Expediting Expense	COMBINED				\$ 1,000
Fire Protection Equipment	COMBINED				\$ 1,000
F.O.B. Shipments			NOT COVERED		
Mobile Agricultural Equipment		\$	50,000	\$	1,000
Rental Cost		\$	10,000	\$	1,000
Reimbursement		\$	50,000	\$	1,000
Packaging Errors		\$	50,000	\$	1,000
Annual Aggregate		\$	50,000	\$	1,000
Perishable Stock					
Per Occurrence	N/A		NOT COVERED		
Annual Aggregate	N/A		NOT COVERED		
Processing Water			NOT COVERED		
Trellis or Vines		\$	50,000	\$	1,000
Unintentional Errors			NOT COVERED		
Worldwide Air Shipments			NOT COVERED		
Combined Limit of Insurance		\$250,000			

190093 Property-Gard Select - Additional Extensions of Coverage
for Wineries (190093 05 06)

Schedule

PR - 8

SMV 05454

POLICY NUMBER S 90 MZX 80997457

NAMED INSURED
SPRING MOUNTAIN VINEYARD INC

PORTFOLIO POLICY (R)

ENDORSEMENTS - OTHER PROPERTY COVERAGE (CONTINUED)

190093 Property-Gard Select - Additional Extensions of Coverage
for Wineries (190093 05 06)
(CONTINUED)

Coverage Description	Combined Limit of Insurance	Limit of Insurance
Property-Gard Select Real and Personal Property Coverage Section - 190001		
Pollution Clean-up Per Occurrence	N/A	\$100,000
Annual Aggregate	N/A	\$100,000
Communicable Disease Expense		NOT COVERED
Extended Warranty		\$100,000
Fine Arts		\$250,000
Key Employee Replacement Expense		
Per Key Employee	N/A	NOT COVERED
Annual Aggregate	N/A	NOT COVERED
Loss Adjustment Expense		\$100,000
Lost Key		NOT COVERED
Money, Checks, Stamps and Securities		NOT COVERED
Money Orders and Counterfeit Paper		
Currency		NOT COVERED
Realty Tax Coverage- Increase Assessment		\$100,000
Reward		\$100,000
Signs and Outdoor Property		\$100,000
Property-Gard Select Endorsement		

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PR - 9

SMV 05455

POLICY NUMBER S 90 MZX 80997457

NAMED INSURED
SPRING MOUNTAIN VINEYARD INC

PORTFOLIO POLICY (R)

ENDORSEMENTS - OTHER PROPERTY COVERAGE (CONTINUED)

190093 Property-Gard Select - Additional Extensions of Coverage
for Wineries (190093 05 06)

(CONTINUED)

Business Income
with Extra Expense
Coverage - 190004Dependent Property
Coverage
Extraordinary
Advertising and
Promotion Expense

\$100,000

NOT COVERED

Combined Limit
of Insurance \$ NOT APPLICABLE

Optional Deductibles

___ \$1,000 ___ \$2,500 ___ \$5,000 ___ \$10,000 X_ Policy Deductible

190097 PROPERTY-GARD SELECT BUSINESS ACCESS COVERAGE ENDORSEMENT
- 190097 05 07

Schedule

Civil Authority Coverage applies for _30_ days
Waiting Period for Civil Authority coverage ___0_ hours
Access to Premises Coverage applies for _30_ days
Waiting Period for Access to Premises Coverage ___0_ hours

Description of Business Real Property to which this endorsement applies:

Location Number

Address

SEE SCHEDULE OF LOCATIONS SHOWN IN THE DECLARATIONS

PR - 10

SMV 05456

POLICY NUMBER S 90 MZX 80997457

NAMED INSURED
SPRING MOUNTAIN VINEYARD INC

PORTFOLIO POLICY (R)

PROPERTY ENDORSEMENTS (CONTINUED)

PROPERTY-GARD SELECT - EQUIPMENT BREAKDOWN COVERAGE ENDORSEMENT(190083 07 03)

THIS ENDORSEMENT MODIFIES INSURANCE PROVIDED UNDER THE PROPERTY-GARD
SELECT REAL AND PERSONAL PROPERTY COVERAGE SECTION.

SCHEDULE OF EQUIPMENT BREAKDOWN COVERAGE DEDUCTIBLES

DAMAGE TO COVERED PROPERTY: \$2,500 MIN OR FOLLOWS PROP DEDUCTIBLE
EXCEPT A/C & REFRIGERATION SYSTEM: \$25/HP, \$2,500 MINIMUM
TIME ELEMENT LOSS: 1 X ADV
PERISHABLE STOCK: NOT COVERED

IF A DEDUCTIBLE AMOUNT IS NOT SHOWN ABOVE, THEN COVERAGE PROVIDED BY
THIS ENDORSEMENT IS SUBJECT TO THE DEDUCTIBLE AMOUNT SHOWN IN THE
DECLARATIONS FOR EACH APPLICABLE LOCATION COVERED UNDER THIS POLICY.

SCHEDULE OF EQUIPMENT BREAKDOWN COVERAGE LIMITS

COVERAGE DESCRIPTION	LIMIT OF INSURANCE
DAMAGE TO COVERED PROPERTY	FOLLOWS PROPERTY LIMITS
TIME ELEMENT LOSS	FOLLOWS PROPERTY LIMITS
PERISHABLE STOCK	NOT COVERED
HAZARDOUS SUBSTANCES	\$100,000 SUBLIMIT
EXPEDITING EXPENSE	\$250,000 SUBLIMIT
DATA RESTORATION	\$ 50,000 SUBLIMIT
SERVICE INTERRUPTION	\$250,000 SUBLIMIT
SERVICE INTERRUPTION WAITING PERIOD:	24 HOURS

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PR - 11

SMV 05457

Cancellation Changes - CP 02 99 06 07

Policy Amendment(s) Commercial Property Coverage

This endorsement modifies insurance provided under the following:

**Commercial Property Coverage Part
Standard Property Policy**

The following is added to the Cancellation Common Policy Condition:

If any one of the following conditions exists at any building that is Covered Property in this policy, we may cancel this Coverage Part by mailing or delivering to the first Named Insured written notice of cancellation at least five days before the effective date of cancellation.

A. The building has been vacant or unoccupied 60 or more consecutive days. This does not apply to:

1. Seasonal unoccupancy;
2. Buildings in the course of construction, renovation or addition; or
3. Buildings to which the Vacancy Permit endorsement applies.

Buildings with 65% or more of the rental units or floor area vacant or unoccupied are considered unoccupied under this provision.

B. After damage by a covered cause of loss, permanent repairs to the building:

1. Have not started; and
2. Have not been contracted for,

within 30 days of initial payment of loss.

C. The building has:

1. An outstanding order to vacate;
2. An outstanding demolition order;
3. Been declared unsafe by governmental authority.

D. Fixed and salvageable items have been or are being removed from the building and are not being replaced. This does not apply to such removal that is necessary or incidental to any renovation or remodeling.

E. Failure to:

1. Furnish necessary heat, water, sewer service or electricity for 30 consecutive days or more, except during a period of seasonal unoccupancy; or
2. Pay property taxes that are owing and have been outstanding for more than one year following the date due, except that this provision will not apply where you are in a bona fide dispute with the taxing authority regarding payment of such taxes.

This Form must be attached to Change Endorsement when issued after the policy is written.
One of the **Fireman's Fund Insurance Companies** as named in the policy

Secretary

President

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Earthquake Sprinkler Leakage Endorsement - 143637 04 08

Policy Amendment(s) Commercial Property Coverage

I. Coverage

- A. If this Endorsement is attached to the Property-Gard Building and Personal Property Coverage Part - 142000, then we will pay for direct physical loss or damage to Covered Property caused by or resulting from **Earthquake Sprinkler Leakage** at the premises described in the Schedule of this Endorsement.
- B. 1. If this Endorsement is attached to the Property-Gard Select Real and Personal Property Coverage Section - 190001, then we will pay for direct physical loss or damage to Property Insured caused by or resulting from **Earthquake Sprinkler Leakage** at the premises described in the Schedule of this Endorsement.
2. Exclusion D.1.d. of the Property-Gard Select Real and Personal Property Coverage Section - 190001 is deleted and replaced with the following:
- d. Earth Movement
- Any natural or man-made earth movement (other than sinkhole collapse), such as earthquake, landslide, subsidence or earth sinking, rising or shifting. But if loss or damage from fire or explosion results, we will pay for that resulting loss or damage.
- C. If the Declarations show you have Business Income, Business Income with Extra Expense, Extra Expense, or Expediting Expense Coverage, then we will pay for the actual loss of **business income, rental value**, or necessary **extra expense** or expediting expense that you sustain due to the necessary full or partial suspension of **operations** during the **period of**

restoration. The suspension must be caused by direct physical loss or damage caused by or resulting from **Earthquake Sprinkler Leakage** at the premises described in the Schedule of this Endorsement.

II. Exclusions or Limitations of Coverage

A covered **Earthquake Sprinkler Leakage** event does not create, nor will it invoke coverage for the loss of **business income, rental value, extra expense**, expediting expense, or consequential loss of any kind or nature provided elsewhere under this Coverage Section or Policy, except as provided by this Endorsement under Earthquake Sprinkler Leakage Coverage.

III. Deductible

- A. With respect to the coverage provided by this Endorsement, the deductible(s) stated in the Schedule of this Endorsement, or in the Declarations applicable to this Endorsement, supersedes any other such deductible contained elsewhere in this policy. No other deductible applies to coverage provided by this Endorsement.
- B. The deductible(s) stated in the Schedule of this Endorsement, or in the Declarations applicable to this Endorsement, apply to each **occurrence**.
- C. We will not pay for loss or damage in any one **occurrence** until the amount of covered loss or damage exceeds the deductible indicated in the Deductible Schedule of this Endorsement. We will then pay the amount of covered loss or damage in excess of the deductible, up to the applicable Blanket Per Occurrence Limit(s) of Insurance or the Per Occurrence Sublimit(s) of Insurance stated in the Schedule of this Endorsement.

This Form must be attached to Change Endorsement when issued after the policy is written.
One of the Fireman's Fund Insurance Companies as named in the policy

Secretary



President



D. If loss or damage is caused by **Earthquake Sprinkler Leakage** and subsequent loss or damage is caused by a covered Cause of Loss, such as fire or explosion, by means of an exception to the Earth Movement Exclusion, then the only applicable deductible provisions that apply are those stated in this Endorsement.

E. If no deductible is stated in the Schedule of this Endorsement, or in the Declarations applicable to this Endorsement, then the deductible(s) stated in the Declarations apply to coverage provided under this Endorsement.

F. **Property Damage Deductibles**

1. If the Deductible stated in the Schedule of this Endorsement is a dollar deductible amount, then the dollar amount is the sum we will subtract from covered loss or damage in any one **occurrence**.

2. a. If the Deductible stated in the Deductible Schedule of this Endorsement is a percentage deductible, then the sum we will subtract from covered loss or damage in any one **occurrence** will be a percentage of each covered item's **value**.

b. The deductible percentage applies separately to the total **value** of each of the following items:

- (1) Each building or structure;
- (2) The contents of each building or structure; and
- (3) Personal property in the open.

c. If a Minimum Deductible amount is stated in the Property Damage Deductible Schedule, then we will subtract at least the Minimum Deductible amount from the covered loss or damage you sustain in any one **occurrence**.

G. **Business Income or Rental Value Deductibles**

1. If the Deductible stated in the Schedule of this Endorsement is a dollar deductible amount, then the dollar amount is the sum we will subtract from a covered

Business Income loss in any one **occurrence**.

2. If the Deductible stated in the Schedule of this Endorsement is an hourly deductible, then we will not pay for the loss of **business income** or **rental value** in any one **occurrence** until the amount of covered Business Income loss exceeds the designated number of hours indicated in the Business Income or Rental Value Deductible Schedule of this Endorsement. We will then pay the amount of covered loss in excess of the deductible, up to the applicable Blanket Per Occurrence Limit(s) of Insurance or the Per Occurrence Sublimit(s) of Insurance stated in the Schedule of this Endorsement.

3. If a Minimum Deductible amount is stated in the Business Income or Rental Value Deductible Schedule, then we will subtract at least the Minimum Deductible amount from the covered Business Income loss you sustain in any one **occurrence**.

H. The deductibles stated in the Deductible Schedules of this Endorsement do not apply to **extra expense** coverage provided by this Endorsement.

IV. **Limits of Insurance**

A. Regardless of any other coverage or Limits of Insurance stated in this policy, the most we will pay for loss, damage, or expense including loss of **business income**, **rental value**, **extra expense**, expediting expense, or debris removal, in any one **occurrence** for a covered loss under this Endorsement is the applicable Blanket Per Occurrence Limit(s) of Insurance or the Per Occurrence Sublimit(s) of Insurance stated in the Schedule of this Endorsement.

B. The Per Occurrence Sublimits of Insurance shown in the Schedule are a part of, not in addition to the Blanket Per Occurrence Limit(s) of Insurance stated in the Schedule of this Endorsement. If the Schedule of this Endorsement shows the term **included** as a Per Occurrence Sublimit of Insurance, then coverage under this Endorsement is subject to



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the applicable Blanket Per Occurrence Limit of Insurance.

- C. If the Schedule of this Endorsement shows the term **included** as a Blanket Per Occurrence Limit of Insurance, then coverage under this Endorsement is subject to the applicable Limit of Insurance stated in the Declarations of this policy.
- D. If the Schedule of this Endorsement shows a Blanket Per Occurrence Limit of Insurance in conjunction with a Per Occurrence Sublimit(s) of Insurance, then the Per Occurrence Sublimit(s) of Insurance stated in the Schedule is part of, and not in addition to the Blanket Per Occurrence Limit(s) of Insurance.

V. Coinsurance

The Coinsurance Provisions do not apply to this endorsement.

VI. Additional Definitions

The following terms used in this Endorsement, the Schedule of this Endorsement, or in the Declarations applicable to this Endorsement, are defined as follows:

- A. **Earth Movement** means any natural earth movement, such as but not limited to the sinking, rising, shifting, expanding or contracting of earth; **earthquake**; volcanic eruption, explosion or effusion; landslide; avalanche; subsidence; mine subsidence; settling; or, erosion. Earth movement does not mean or include:
 - 1. Tsunami, tidal waves, or **flood**, whether or not directly or indirectly caused by earth movement; or
 - 2. Any vibrations or earth movement caused by or resulting from human activity.
- B. **Earthquake** means, tremors or vibrations within and upon the earth's crust caused by seismic displacement, rupture or creation of faults within the earth's crust that are associated with natural tectonic processes; or

volcanic eruption, explosion or effusion. **Earthquake** does not mean or include:

- 1. Tsunami, tidal waves, or **flood**, whether or not directly or indirectly caused by **earthquake**; or
- 2. Any vibrations or **earth movement** caused by or resulting from human activity.

C. **Earthquake Sprinkler Leakage** means the following:

- 1. If this Endorsement is attached to the Property-Gard Select Real and Personal Property Coverage Section - 190001, then **Earthquake Sprinkler Leakage** means leakage of any substance from **fire protective equipment** caused by or resulting from **earth movement**.
- 2. If this Endorsement is attached to the Property-Gard Building and Personal Property Coverage Section - 142000, then **Earthquake Sprinkler Leakage** means leakage of any substance from **fire protective equipment** caused by or resulting from **earthquake**.

D. **Fire Protective Equipment** means any wet, dry, chemical or gaseous fire suppression or extinguishing systems, including fire suppression supply tanks; supply lines; ducts or piping; pumps; private mains or hydrants; standpipes or outlets; and their component parts or supports; which you own, lease or rent from others.

E. **Occurrence** means all elements of loss, regardless of the number of locations involved, caused by or resulting from **earthquake** or **earth movement**, arising out of a single event that occurs within any 168 hour period. The expiration of this policy will not reduce the 168 hour period.

F. **Value** means the 100% value for each covered item at the time of loss and is based upon the valuation clause used in the Coverage Part, Coverage Section, or Policy.

VII. This policy is otherwise subject to all the terms, conditions, provisions and stipulations of the policy to which it is attached.

**Property-Gard Select Real and Personal Property Coverage Section
190001 05 94**

Policy Amendment(s) Commercial Property Coverage

Insured: SPRING MOUNTAIN VINEYARD INC

Policy Number: S 90 MZX 80997457

Producer: ARTHUR J GALLAGHER & CO

Effective Date: 06-01-19

This Coverage Section, together with its Declarations and endorsements, including other conditions and exclusions that apply to this Coverage Section and the policy complete the coverage provided by this policy.

Various provisions in this Coverage Section restrict coverage. Read the entire Coverage Section carefully to determine rights, duties and what is and is not covered. The titles of paragraphs of this Coverage Section and subsequent endorsements are inserted solely for the convenience of reference and shall not be deemed in any way to limit or affect the provisions to which they relate.

Throughout this Coverage Section the words **you** and **your** refer to the Named Insured shown on the Declarations. The words **we**, **us** and **our** refer to the Company providing this insurance.

Some words and phrases that appear in **bold face** have special meaning. Refer to the Definitions Section of this Coverage Section.

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This Form must be attached to Change Endorsement when issued after the policy is written.
One of the **Fireman's Fund Insurance Companies** as named in the policy

Secretary

Julie A. Egan

President

John P. Hanna

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A. Covered Causes of Loss

This Coverage Section insures all risks of direct physical loss or damage, except as excluded or limited elsewhere in this Coverage Section, provided such loss or damage occurs during the term of this policy, to covered property at the location(s) described in the Declarations.

B. Property Insured

Unless otherwise excluded or limited elsewhere in this Coverage Section, we insure the following property while on the premises at the location(s) described in the Declarations, including personal property in the open (or in a vehicle in the open) within 1,000 feet thereof:

If this Coverage Section covers real property, it covers:

1. Real property which you own or which you lease or rent from others in which you have an insurable interest. This includes, but is not limited to, completed additions; permanently installed fixtures, machinery and equipment; outdoor fixtures and structures, including light standards, fences, signs and well-housings.
2. Personal property you own which is used to maintain or service the building or its premises. This includes, but is not limited to, fire extinguishing equipment, outdoor furniture, floor covering and appliances used for refrigerating, ventilating, cooking, dishwashing or laundering.
3. New construction, additions under construction, alterations and repairs to the building or structure, including their materials, equipment, supplies and temporary structures if not covered by other insurance.

If this Coverage Section covers personal property, it covers:

1. Business personal property which you own, and your interest in and legal liability for personal property owned by others in your care, custody or control. Business personal property includes **electronic data processing equipment**.
2. Improvements and betterments in which you have an insurable interest.
3. Personal property, other than motor vehicles, of your officers and employees unless otherwise insured.
4. **Accounts receivable**, but the most we will pay in any one loss is \$ **100,000**.
5. **Valuable papers**, but the most we will pay in any one loss is \$ **100,000**.
6. **Electronic data processing media**, but the most we will pay in any one loss is \$ **100,000**.

C. Property Not Insured

This Coverage Section does not insure any of the following property, unless specifically covered in the Declarations or by endorsement to this Coverage Section:

1. Land, water, growing plants and crops outside of buildings, standing timber or outdoor trees, shrubs, lawns;
2. Animals and seeds, except those you sell;
3. Currency, money, notes, securities, accounts, bills, deeds and evidences of debt or title unless otherwise provided herein;
4. Aircraft, watercraft while afloat, or vehicles otherwise insured;
5. Dams, dikes and other similar structures;

6. Retaining walls, bulkheads, docks, piers, wharves and property located thereon, for loss or damage caused by or resulting from action of water or ice or impact of watercraft;
7. Underground mines, caverns and any property contained therein;
8. Personal property which you have sold under conditional sale, trust agreement, installment payment or other deferred payment plan, or which you have retained a security interest, after delivery to customers;
9. Jewelry, furs, precious metals, or precious stones, except for precious metals or precious stones used for industrial purposes, from burglary, robbery or theft;
10. Property in due course of transit;
11. Property which is more specifically described and covered under this policy or any other policy.

D. Exclusions

1. This Coverage Section does not insure against loss or damage caused directly or indirectly by any of the following. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

- a. War and Military Action

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

- b. Nuclear Hazard

Nuclear reaction or radiation, or radioactive contamination, however caused. But if loss or damage by fire results, we will pay for that resulting loss or damage.

- c. Government Action

Seizure or destruction of property by order of governmental authority. But we will pay for acts of destruction ordered by governmental authority and taken at the time of a fire to prevent its spread, if the fire would be covered under this Coverage Form.

- d. Earth Movement

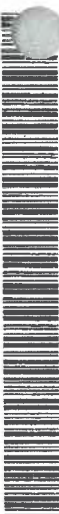
Any natural or man-made earth movement (other than sinkhole collapse), such as earthquake, landslide, subsidence or earth sinking, rising or shifting. But if loss or damage from fire, explosion or leakage from fire protective equipment results, we will pay for that resulting loss or damage.

- e. Flood

Flood, including surface water. But if loss or damage from fire, explosion or leakage from fire protective equipment results, we will pay for that resulting loss or damage.

- f. Pollution

The actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of **pollutants**. But, if the same is the direct result of a **covered cause of loss**, we do insure direct physical



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loss or damage to covered property caused by the actual contact of the covered property with the pollutants.

g. Off-Premises Services

The failure of power or other utility service supplied to the described premises, however caused, if the failure occurs away from the described premises. But if loss or damage from a covered cause of loss results, we will pay for that resulting loss or damage.

h. Collapse

Collapse, but this exclusion applies only if Flood or Earth Movement contribute concurrently or in any sequence to the loss.

2. This Coverage Section does not insure against loss or damage caused by or resulting from any of the following:

- a. Unexplained or mysterious disappearance of any property, or shortage disclosed by audit or upon taking inventory;
- b. Insects, vermin, birds or other animals;
- c. Delay, loss of use, loss of market, loss of occupancy, or any other consequential or remote loss of any kind;
- d. Dishonest or criminal acts by you, any of your partners, employees, directors, trustees, authorized representatives or anyone to whom you entrust the property for any purpose:
 - (1) Acting alone or in collusion with others; or
 - (2) Whether or not occurring during the hours of employment.

This exclusion does not apply to Covered Property that is entrusted to others who are carriers for hire, or to acts of destruction by your employees. However, theft by employees is not covered.

- e. Electric arcing, injury or disturbance, caused by electrical currents artificially generated, to electrical appliances, devices, fixtures, wiring or other equipment. But if loss or damage by fire, water or other means to extinguish a fire results, we will pay for that resulting loss or damage.
- f. The explosion, implosion or bursting of steam boilers, steam turbines, steam engines, steam piping or apparatus attached to and forming a part thereof; or gas turbines or burning, bulging or cracking of boilers, turbines, engines, piping or apparatus attached to and forming a part thereof, when owned, operated or controlled by you. But this exclusion does not apply to explosion of accumulated gases or unconsumed fuel within the firebox or the combustion chamber of any fired vessel, other than gas turbines, or within the flues or passages which conduct the gases of combustion therefrom;
- g. Accumulated effects of smog, smoke, fumes or vapors from agricultural or industrial operations.

3. This Coverage Section does not insure against loss, damage or expense caused by or resulting from the following. But if loss or damage from a covered cause of loss results, we will pay for that resulting loss or damage.

- a. Wear and tear, gradual deterioration, inherent vice, latent defect, depletion, erosion, corrosion, mold, wet or dry rot;
- b. Changes in temperature or changes in humidity, all whether atmospheric or not;
- c. Shrinkage, evaporation, leakage of contents, change in flavor or texture or finish, decay or other spoilage;

- d. Settling, cracking, shrinkage, bulging, or expansion of pavements, foundations, walls, floors, roofs or ceilings;
- e. Loss attributable to manufacturing or processing operations which result in damage to stock or materials while such stock or materials are being processed, manufactured, tested or otherwise being worked upon;
- f. Mechanical or machinery breakdown; malfunction; rupture or bursting caused by centrifugal force, to property you own, operate or control;
- g. Weather conditions. But this exclusion shall only apply if weather conditions contribute in any way with loss, damage or expense excluded in section D.1. of this coverage form;
- h. Acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body;
- i. Faulty, inadequate or defective:
 - (1) Planning, zoning, development, surveying, siting;
 - (2) Design specifications, workmanship, repair, construction, renovation, remodeling, grading compaction;
 - (3) Materials used in repair, construction, renovation, or remodeling; or
 - (4) Maintenance;
 of part or all of any property wherever located.

E. Special Exclusions - Accounts Receivable, Valuable Papers, Electronic Data Processing Equipment and Media

Exclusions D.2.a. through g. and Exclusions D.3.a. through f. do not apply to **accounts receivable, valuable papers, electronic data processing equipment and media** coverages and are replaced with the following exclusions:

1. Dishonest or criminal acts by you, any of your partners, employees, directors, trustees, authorized representatives or anyone to whom you entrust the property for any purpose:
 - a. Acting alone or in collusion with others; or
 - b. Whether or not occurring during the hours of employment.

This exclusion does not apply to Covered Property that is entrusted to others who are carriers for hire, or to acts of destruction by your employees. However, theft by employees is not covered.
2. Delay, loss of use, loss of market or any other consequential loss.
3. Unauthorized instructions to transfer property to any person or any place.
4. With respect to **accounts receivable**, this Coverage Section does not insure against loss or damage caused by or resulting from any of the following:
 - a. Bookkeeping, accounting or billing errors or omissions;
 - b. Alteration, falsification, concealment or destruction of records of **accounts receivable** done to conceal the wrongful giving, taking or withholding of money, securities or other property. This exclusion applies only to the extent of the wrongful giving, taking or withholding;



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- c. Electrical or magnetic injury, disturbance or erasure of electronic recordings that is caused by or results from:
 - (1) Programming errors or faulty machine instructions;
 - (2) Faulty installation or maintenance of data processing equipment or component parts;
 - (3) An occurrence that took place more than 1,000 feet from your premises; or
 - (4) Interruption of electrical power supply, power surge, blackout or brownout if the cause of such occurrence took place more than 1,000 feet from your premises;

But we will pay for direct loss or damage by lightning.
- 5. With respect to **valuable papers**, this Coverage Section does not insure against loss or damage caused by or resulting from any of the following:
 - a. Errors or omissions in processing or copying. But if direct loss or damage from a **covered cause of loss** results, we will pay for that resulting loss or damage;
 - b. Electrical or magnetic injury, disturbance or erasure of electronic recordings, except for direct loss by lightning;
 - c. Wear and tear, any quality in the property that causes it to damage or destroy itself, gradual deterioration, insects, vermin or rodents;
- 6. With respect to **electronic data processing equipment and media** coverage, this Coverage Section does not insure against loss or damage caused by or resulting from any of the following:
 - a. Inherent vice, wear and tear, vermin, gradual deterioration or depreciation;
 - b. Dryness or dampness of atmosphere, extremes of temperature, corrosion or rust unless directly resulting from physical damage to the data processing system's air conditioning facilities. The damage to the air conditioning facilities must have resulted from a **covered cause of loss** under this policy.
 - c. Electrical or magnetic injury, disturbance or erasure of electronic recordings that is caused by or results from:
 - (1) Programming errors or faulty machine instructions;
 - (2) Faulty installation or maintenance of data processing equipment or component parts;
 - (3) An occurrence that took place more than 1,000 feet from your premises; or
 - (4) Interruption of electrical power supply, power surge, blackout or brownout if the cause of such occurrence took place more than 1,000 feet from your premises;

But we will pay for direct loss or damage by lightning.

F. Extensions of Coverage

The following extensions of coverage are subject to all terms and conditions of this policy. Unless otherwise specifically stated, they are in addition to the limits of liability stated elsewhere in this policy.

1. Debris Removal

We will pay your necessary and reasonable costs to remove, from the **premises** described in the Declarations, the debris of covered property caused by or resulting from a **covered cause of loss** which occurs during the policy period.

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- (1) The cost to demolish and clear the site of undamaged parts of the property caused by the enforcement of the building, zoning or land use law.
- (2) The increased costs to repair, rebuild or construct the property caused by the enforcement of building, zoning or land use law. When the building is repaired or rebuilt, it must be intended for similar occupancy as the current property, unless otherwise required by zoning or land use law.

We will not pay for increased construction costs until the property is actually repaired or replaced, at the same premises or elsewhere, and unless repairs are made as soon as reasonably possible after the loss or damage, not to exceed 2 years. We may extend this period in writing during the 2 years.

b. The most we will pay in any one occurrence under this Coverage Extension is:

- (1) The amount you actually spend to demolish and clear the site of the described premises; and
- (2) The increased cost of construction at the same premises or elsewhere, if required; or
- (3) \$ 100,000 whichever is less.

We will not pay for the increased cost of construction if the building is not repaired or replaced.

5. Fire Department Service Charge

When the fire department is called to save or protect covered property from a covered cause of loss, we will pay up to \$ 50,000 for your liability for fire department service charges assumed by contract or agreement prior to loss or required by local ordinance. No deductible applies to this coverage.

6. Newly Acquired Property

If the Declarations show you have Business Real Property Coverage, we cover any real property you acquire anywhere in the coverage territory. If the Declarations show you have Business Personal Property Coverage, we cover your business personal property at a newly acquired location anywhere in the coverage territory. If the Declarations show you have Business Income Coverage, we cover your business income at a newly acquired location anywhere in the coverage territory.

The most we will pay for any one loss is \$ 250,000 whether the loss occurs to real property, personal property or results in loss of business income.

This coverage ends 120 days from the date you acquire the property, on the date you report the values of the property to us, or on the date this policy expires, whichever occurs first. When you report the values of the property to us, you will owe us additional premium from the date of acquisition.

This Coverage Extension does not apply to:

- a. Loss or damage caused directly or indirectly by flood or earth movement; or
- b. Property which is otherwise insured.

7. Exhibition, Exposition, Fair or Trade Show

We will pay for direct physical loss or damage to covered property while located at any exhibition, exposition, fair or trade show within the coverage territory.

If the Declarations of this policy shows you have Business Income Coverage, we will also pay for loss of Business Income you sustain resulting from interruption of your operations due to a direct physical loss at, or in transit to and from, a trade show within the coverage territory.

The most we will pay under this Coverage Extension for loss or damage arising out of any one occurrence is \$ **100,000**. This Coverage Extension does not apply to loss or damage caused directly or indirectly by **flood** or earth movement.

8. Removal of Property

This Coverage Section is extended to:

- a. Pay for direct physical loss or damage caused by a **covered cause of loss** to covered property while it is being moved or while it is temporarily stored for not exceeding 90 days at another location, if you must move it from an insured location to preserve and protect it from a **covered cause of loss**.
- b. Cover your personal property while removed from the **premises** described in the Declarations for repairs, servicing, or to avoid threatened damage by **flood**, for a period of 90 days from the date of removal. The most we will pay is \$ **100,000**, but this extension of coverage shall not apply to personal property removed from the **premises** described in the Declarations for normal storage, for processing, to property in transit, or to property otherwise insured.

9. Unnamed Location Coverage

This Coverage Section is extended to cover your property, not otherwise insured, for direct physical loss or damage resulting from a **covered cause of loss** while it is anywhere within the coverage territory. The most we will pay for loss or damage for any one location is \$ **250,000**. This Coverage Extension does not apply to loss or damage caused directly or indirectly by **flood** or earth movement.

10. Outdoor Property: Trees, Shrubs, Plants and Lawns

This Coverage Section is extended to cover your trees, shrubs, plants and lawns that are outside a covered building including parking lots, if part of the described **premises**, when loss is caused by or results from any of the following causes of loss: **fire**; **lightning**; **aircraft**; **explosion**; **riot or civil commotion**; **smoke**; **vehicles**; **vandalism** or **malicious mischief**.

The most we will pay for direct loss or damage arising out of any one occurrence is \$ **25,000**, but not more than \$ **1,000** for any one tree, shrub or plant.

G. Limits of Liability

The most we will pay for loss or damage in any one occurrence is the applicable Limit of Insurance or Sublimit of Insurance shown in the Declarations of this Coverage Section or in the individual clauses of this Coverage Section. Sublimits do not increase any amounts or Limits of Insurance provided by this Coverage Section.

H. Deductibles

We will not pay for loss or damage in any one occurrence until the amount of loss or damage exceeds the Deductible(s) shown in the Declarations. We will then pay the amount of loss or damage in excess of the Deductible, up to the applicable Limit of Insurance.

If more than one Deductible is applicable under this Coverage Section, we will only apply the single highest amount that is applicable.

I. Policy Period, Coverage Territory

Under this Coverage Section:

1. We cover loss or damage commencing during the policy period shown in the Declarations and within the coverage territory.



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2. The policy period shall commence from the inception at 12:01 A.M. (Standard Time) to the expiration date at 12:01 A.M. (Standard Time).
3. The coverage territory is The United States of America (including its territories and possessions), Puerto Rico and Canada.

J. Coinsurance Provisions

If a coinsurance provision is shown in the Declarations, unless otherwise stated, the following conditions apply except to property at Unnamed locations or to Extensions of Coverage:

We will not pay the full amount of any loss or damage if the **value** of covered property at the time of loss or damage multiplied by the coinsurance percentage shown for it in the Declarations is greater than the Limit of Insurance for the property. Instead, we will determine the most we will pay using the following steps:

1. Multiply the **value** of the covered property at the time of loss or damage by the coinsurance percentage;
2. Divide the Limit of Insurance of the covered property by the figure determined in step 1;
3. Multiply the total amount of the covered loss or damage, before the application of any deductible, by the figure determined in step 2; and
4. Subtract the deductible from the figure determined in step 3.

If one Limit of Insurance applies to two or more separate items, this condition will apply to the total of all property to which the limit applies.

K. Valuation

1. Replacement Cost

If a loss occurs:

- a. We will determine the **value** of the lost or damaged property at Replacement Cost as of the time of the loss or damage, except as provided below. Replacement cost means the cost to replace with new property of comparable material and quality and used for the same purpose without deduction for depreciation.
- b. You may make a claim for loss or damage covered by this insurance on an Actual Cash Value basis instead of a Replacement Cost Basis. In the event you elect to have loss or damage settled on an Actual Cash Value basis, you may still make a claim for the additional coverage which Replacement Cost provides if you notify us of your intent to do so within 180 days after the loss or damage.
- c. We will not pay on a Replacement Cost basis for any loss or damage until the lost or damaged property is actually repaired or replaced and unless the repairs or replacement are made as soon as reasonably possible after the loss or damage.
- d. We will not pay more for loss or damage on a Replacement Cost basis, including loss caused by the enforcement of an ordinance or law, than the least of the following:
 - (1) The Limit of Insurance applicable to the lost or damaged property;
 - (2) The cost to replace the lost or damaged property with other new property of comparable material and quality and used for the same purpose; or
 - (3) The amount you actually spend that is necessary to repair or replace the lost or damaged property.

- e. You may voluntarily elect to rebuild on another site provided it does not increase the amount of loss or damage which we would otherwise pay to rebuild at your current site. But we will not pay for the cost of the land.

2. **Actual Cash Value**

If a loss occurs and the Valuation Basis shown in the Declarations is Actual Cash Value, we will determine the value of the lost or damaged property at Actual Cash Value as of the time of the loss or damage, except as provided below.

3. **Stock** will be valued as follows:

- a. **Stock** that is supplies or raw materials will be valued at Replacement Cost.
- b. **Stock** that is work-in-process will be valued at the cost of materials, labor, supplies and overhead incurred.
- c. **Stock** that is finished goods manufactured by you will be valued at the price for which it could have been sold if there had been no loss, less discounts and unincurred expenses.
- d. **Stock** that is finished goods that you have purchased from others for resale will be valued at Replacement Cost. However, if such stock has been sold but not delivered, it will be valued at the selling price less all discounts and unincurred expenses.
- e. **Stock** that you have shipped will be valued at your selling invoice plus any guaranteed, prepaid, or advanced freight.
- f. **Stock** that you have shipped not under invoice will be valued at its market value at destination on the date of loss less any unincurred expenses.

4. **Tenants Improvements and Betterments**

Tenant's Improvements and Betterments will be valued at:

- a. Replacement cost of the lost or damaged property if you make repairs promptly.
- b. A proportion of your original cost if you do not make repairs promptly. We will determine the proportionate values as follows:
 - (1) Multiply the original cost by the number of days from the loss or damage to the expiration of the lease; and
 - (2) Divide the amount determined in (a) above by the number of days from the installation of improvements to the expiration of the lease.

If your lease contains a renewal option, the expiration of the renewal option period will replace the expiration of the lease in this procedure.

- c. Nothing if others pay for repairs or replacement.

We will not pay more for loss or damage on a replacement cost basis, including loss caused by the enforcement of an ordinance or law, than the Limit of Insurance applicable to the lost or damaged property.

5. **Accounts Receivable** loss payment will be determined as follows:

- a. When there is proof that a covered loss has occurred but you cannot accurately establish the amount of **accounts receivable** outstanding at the time of the loss, the following method will be used:



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- (1) Determine the total of the average monthly amounts of **accounts receivable** for the 12 months immediately preceding the month in which the loss occurs; and
 - (2) Adjust that total for any normal fluctuations in the amount of **accounts receivable** for the month in which the loss occurred or for any demonstrated variance from the average for that month.
- b. The following will be deducted from the total amount of **accounts receivable**, however that amount is established:
 - (1) The amount of any accounts evidenced by records not lost or damaged;
 - (2) Any other amounts you are able to establish or collect;
 - (3) An amount to allow for probable bad debts that you are normally unable to collect; and
 - (4) All unearned interest and service charges.
- c. You will pay us the amount of all recoveries you receive for a loss paid by us. But any recoveries in excess of the amount we have paid belong to you.
6. **Electronic Data Processing Media** is valued at the cost of replacement or reproduction if you replace or reproduce it. Otherwise, it will be valued at its blank value.
7. **Valuable Papers** will be valued at the cost to research, replace, or restore the information on the **valuable papers**. If the information cannot be replaced or restored with other of like kind or quality, we will pay the blank value.
8. Glass will be valued at the cost to replace damaged property with safety glazing material if required by law.
9. Personal Property of Others will be valued at the amount for which you are legally liable plus the actual cost of labor and material you have expended on the personal property of others. In no event shall it be valued at more than its replacement cost.

L. Vacancy

We will not pay for loss or damage occurring while a described building, whether intended for occupancy by owner or tenant, is vacant or unoccupied beyond a period of 60 consecutive days unless existing fire protection, watch and alarm services are properly maintained or unless you notify us in writing prior to the 60th consecutive day of vacancy or unoccupancy.

M. Mortgage Holders

1. We will pay for covered loss of or damage to buildings or structures to each mortgage holder shown in the Declarations in their order of precedence, as interests may appear.
2. The mortgage holder has the right to receive loss payment even if the mortgage holder has started foreclosure or similar action on the building or structure.
3. If we deny your claim because of your acts or because you have failed to comply with the terms of this Coverage Section, the mortgage holder will still have the right to receive loss payment if the mortgage holder:
 - a. Pays any premium due under this Coverage Section at our request if you have failed to do so;
 - b. Submits a signed, sworn statement of loss within 60 days after receiving notice from us of your failure to do so; and
 - c. Has notified us of any change in ownership, occupancy or substantial change in risk known to the mortgage holder.

All terms of this Coverage Section will then apply directly to the mortgage holder.

4. If we pay the mortgage holder for any loss or damage and deny payment to you because of your acts or because you have failed to comply with the terms of this Coverage Section:
 - a. The mortgage holder's rights under the mortgage will be transferred to us to the extent of the amount we pay; and
 - b. The mortgage holder's right to recover the full amount of the mortgage holder's claim will not be impaired.

At our option we may pay to the mortgage holder the whole principal on the mortgage plus any accrued interest. In this event, your mortgage and note will be transferred to us and you will pay your remaining mortgage debt to us.

5. If we cancel or elect not to renew this policy, we will give the mortgage holder the same written notice as we give you.

N. Definitions

1. **Accounts Receivable** means all amounts due from your customers that you are unable to collect as a result of direct physical loss or damage caused by a **covered cause of loss** to your records of **accounts receivable** and includes:
 - a. Interest charges on any loan that you secure to offset your reduced cash flow as a result of the loss;
 - b. Collection expenses in excess of your normal collection expenses that are made necessary by the loss; and
 - c. Other reasonable expenses that you incur to re-establish your records of **accounts receivable** as the result of the loss.
2. **Covered Cause of Loss** means a cause of loss or damage insured against by the **covered cause of loss** clause of the Coverage Section and not excluded or limited elsewhere in the Coverage Section.
3. **Electronic Data Processing Equipment** means data processing systems, component parts and related peripheral equipment including air conditioning and fire protection equipment used solely for data processing operations. But **electronic data processing equipment** does not include electronic systems that control production machinery nor the production machinery itself nor any memory bank attached to the production machinery. Nor does **electronic data processing equipment** mean property in course of manufacture or property you hold for sale or demonstration.
4. **Electronic Data Processing Media** means punchcards, tapes, discs, drums, cells or other magnetic or optical recording or storage devices including the information recorded on the media. It also includes the original source material used to enter data and/or program. But it does not include any memory bank attached to production machinery nor any property in course of manufacture or property you hold for sale or demonstration.
5. **Flood** means a general and temporary condition of partial or complete inundation of normally dry land areas from:
 - a. The overflow of inland or tidal waters; or
 - b. The unusual and rapid accumulation or run-off of surface waters from any source; or
 - c. Mudslides which are caused or precipitated by accumulation of water on or under the ground.

6. **Pollutants** means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes material to be recycled, reconditioned or reclaimed.
7. **Premises** means that part of the location you occupy.
8. **Stock** means merchandise held in storage or for sale, raw materials and in-process or finished goods. It includes supplies used in packing or shipping of any of these.
9. **Valuable Papers** means inscribed, printed or written documents, manuscripts or records, including abstracts, books, deeds, drawings, films, maps or mortgages. But **valuable papers** does not mean money, securities, stamps, converted data, programs or instructions used in your data processing operations, including materials on which data is recorded.
10. **Value** means the valuation basis upon which payment for loss or damage is made.

Property-Gard Select - General Conditions - 190002 05 94

Policy Amendment(s) Commercial Property Coverage

A. Concealment, Misrepresentation or Fraud

This Coverage Section is void in any case of fraud by you. It is also void if you or any other insured, at any time, intentionally conceal or misrepresent material fact concerning this Coverage Section, the Covered Property, your interest in the Covered Property or a claim under this Coverage Section.

B. Legal Action Against Us

No one may bring a legal action against us under this Coverage Section unless:

1. There has been full compliance with all of the terms of this Coverage Section; and
2. The action is brought within 2 years after the date on which the direct physical loss or damage occurred.

C. No Benefit to Bailee

No person or organization, other than you, having custody of Covered Property will benefit from this insurance.

D. Transfer of Rights of Recovery Against Others to Us

If any person or organization to or for whom we make payment under this Coverage Section has rights to recover damages from another, those rights are transferred to us to the extent of our payment. That person or organization must do everything necessary to secure our rights and must do nothing after loss to impair them. But you may waive your rights against another party in writing:

1. Prior to loss to your Covered Property or Covered Income.
2. After a loss to your Covered Property or Covered Income only if, at the time of loss, that party is one of the following:
 - a. Someone insured by this insurance;
 - b. A business firm owned or controlled by you or that owns or controls you; or
 - c. Your tenant.

E. Transfer of Your Rights and Duties Under This Policy

Your rights and duties under this policy may not be transferred without our written consent except in the case of death of an individual named Insured.

This Form must be attached to Change Endorsement when issued after the policy is written.
One of the Fireman's Fund Insurance Companies as named in the policy

Secretary

President

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If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having proper temporary custody of your property will have rights and duties but only with respect to that property.

F. Control of Property

Any act or neglect of any person other than you beyond your direction or control will not affect this insurance. The breach of any condition of this Coverage Section at any one or more locations will not affect coverage at any one location where, at the time of loss or damage, the breach of condition does not exist.

G. Defense Costs

We will defend any suit against you alleging direct physical loss or damage resulting from a **covered cause of loss** under this policy to personal property of others in your custody while on the **premises** described in the Declarations of this policy to the extent of your liability, even if such suit is groundless, false or fraudulent. But we may without prejudice make such investigation, negotiation or settlement of any such claim or suit as we deem expedient.

H. Resulting Loss or Damage

In the event of direct physical loss or damage to any covered property, at a location described in the Declarations of this policy, resulting from a **covered cause of loss** and when such loss or damage, without the intervention of any other independent cause, results in a sequence of events which causes direct physical damage to other covered property, then we will pay for the resulting loss or damage and the actual loss sustained under any Business Income coverages provided by this policy during such reasonable time as would be required to repair or replace the damaged property.

This provision does not increase any amounts or Limits of Insurance provided by the Property-Gard Select Coverage Section or the policy to which it is attached.

I. Policy Period

Under this Coverage Section, we insure loss or damage commencing during the policy period shown in the Declarations.

J. Insurance Under Two or More Coverages

If two or more of this policy's coverages apply to the same loss or damage, we will not pay more than the actual amount of the loss or damage.

K. Other Insurance Clause

If there is other insurance covering the same loss or damage under this policy or any other policy, we will only pay for the amount of covered loss or damage in excess of the amount due from that other insurance, whether collectible or not. But we will not pay more than our applicable Limit of Insurance.

L. Reinstatement of Limits After a Loss

The payment of any claim shall not reduce the Limit(s) of Insurance under this policy except for those Limits of Insurance which apply in the aggregate for all such losses which occur during the policy period. Such Limits of Insurance will be reduced by the amount of any paid loss.

M. Liberalization Clause

If we adopt any revision that would broaden the coverage provided under the Property-Gard Select Coverage Section or the policy to which it is attached without additional premium within 45 days prior to or during the policy period, this broadened coverage will immediately apply to this Coverage Section or the policy to which it is attached.

N. Premiums

The first Named Insured shown in the Declarations is responsible for the payment of all premiums and will be the payee for any return premiums we pay.

O. Changes

This policy contains all the agreements between you and us concerning the insurance afforded. The first Named Insured shown in the Declarations is authorized to make changes in the terms of this policy with our consent. This policy's terms can be amended or waived only by endorsement issued by us and made a part of this policy.

P. Examination of Your Books and Records

We may examine and audit your books and records as they relate to this policy at any time during the policy period and up to three years afterward.

Q. Inspections and Surveys

We have the right but are not obligated to:

1. Make inspections and surveys at any time;
2. Give you reports on the conditions we find; and
3. Recommend changes.

Any inspections, surveys, reports or recommendations relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions are safe or healthful or comply with laws regulations, codes or standards.

This condition applies not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.

R. Cancellation

1. The first Named Insured in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
2. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
 - a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
 - b. 30 days before the effective date of cancellation if we cancel for any other reason.
3. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.
4. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
5. If this policy is canceled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
6. If notice is mailed, proof of mailing will be sufficient proof of notice.

S. Conformity to Statute

Terms of the Coverage Section which are in conflict with the statutes of the state where the Coverage Section is issued are amended to conform to such statutes.



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Property-Gard Select Loss Conditions - 190003 05 94

Policy Amendment(s) Commercial Property Coverage

A. Duties in the Event of Loss or Damage

In the event of loss or damage to Covered Property you must:

1. Notify the police if a law may have been broken.
2. Give us prompt notice of the loss or damage. Include a description of the property involved.
3. As soon as possible, give us a description of how, when and where loss or damage occurred.
4. Take all reasonable steps to protect the Covered Property from further damage by a Covered Cause of Loss. If feasible, set the damaged property aside and in the best possible order for examination. Also keep a record of your expenses for emergency and temporary repairs, for consideration in the settlement of the claim. This will not increase the Limit of Insurance.
5. At our request, give us complete inventory of the damaged and undamaged property. Include quantities, costs, values and amount of loss claimed.
6. Permit us to inspect the property and records proving the loss or damage. Also permit us to take samples of damaged property for inspection, testing and analysis.
7. If requested, permit us to question you under oath at such times as may be reasonably required about any matter relating to this insurance or your claim, including your books and records. In such event, your answers must be signed.
8. Send us a signed, sworn statement of loss containing the information we request to investigate the claim. You must do this within 60 days after our request. We will supply you with the necessary forms.
9. Cooperate with us in the investigation or settlement of the claim.

B. Abandonment

There can be no abandonment of any property to us.

C. Brands and Labels

If covered goods bearing a brand on the label are damaged and we exercise our option to take all or part of the property at the agreed or appraised value, you may stamp **salvage** on the goods or their containers or remove the brands or labels.

But you must not damage the goods, and must relabel the goods or containers to comply with the requirements of the law. Any cost of stamping, removing or relabeling the goods will be charged to salvage expense.

This Form must be attached to Change Endorsement when issued after the policy is written.
One of the **Fireman's Fund Insurance Companies** as named in the policy

Secretary



President



D. Pair, Set or Parts

In the event of loss or damage to any part of a pair or set we may repair or replace any part to restore the pair or set to its value before the loss or pay the difference between the value of the pair or set before and after the loss.

In the event of loss or damage to any part of covered property consisting of several parts when complete, we will only pay for the value of the lost or damaged part.

E. Appraisal

If we and you disagree on the value of the property or the amount of loss, either may make written demand for an appraisal of the loss. In this event, each party will select a competent and impartial appraiser. The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the value of the property and amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

1. Pay its chosen appraiser; and
2. Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim.

F. Loss Payment

1. We will pay for covered loss or damage within 30 days after we receive the sworn statement of loss, if:
 - a. You have complied with all of the terms and conditions of this Coverage Section; and
 - b. We have reached agreement with you on the amount of loss or an appraisal award has been made.
2. We may adjust losses with the owners of lost or damaged property if other than you. If we pay the owners, such payments will satisfy your claims against us for the owners' property. We will not pay the owners more than their financial interest in the Covered Property.

G. Recovered Property

If either you or we recover any property after loss settlement, that party must give the other prompt notice. At your option, the property will be returned to you. You must then return to us the amount we paid to you for the property. We will pay recovery expenses and the expenses to repair the recovered property, subject to the Limit of Insurance.

Property-Gard Select Endorsement - Business Income with Extra Expense Coverage - 190004 05 94

Policy Amendment(s) Commercial Property Coverage

Insured: **SPRING MOUNTAIN VINEYARD INC**

Policy Number: **S 90 MZX 80997457**

Producer: **ARTHUR J GALLAGHER & CO**

Effective Date: **06-01-19**

In consideration of an additional premium, coverage under this policy is extended as described below. This endorsement is otherwise subject to all terms, conditions, provisions, and stipulations of the Property-Gard Select Coverage Section.

A. Coverage

We will pay for the actual loss of **Business Income** and **Rental Value** which you sustain due to the necessary suspension of **operations** during the **period of restoration**. The suspension must be caused by direct physical loss or damage at the **premises** described in the Declarations, including personal property in the open (or in a vehicle in the open) within 1,000 feet, caused by or resulting from a **covered cause of loss**.

We will also pay any necessary expenses you incur to reduce the amount of loss under this Endorsement. We will pay such expenses to the extent that they do not exceed the amount of loss that otherwise would have been payable under this Endorsement.

B. Additional Exclusions

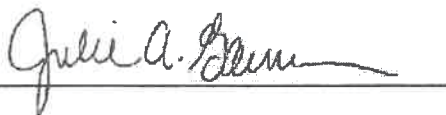
With respect to coverage provided by this Endorsement, the following additional exclusions shall apply. We do not insure against loss or damage caused by or resulting from any of the following:

1. Loss caused by or resulting from damage to or destruction of **finished stock** or the time required to re-produce **finished stock**. But this exclusion does not apply to the **Extra Expense** Additional Coverage;
2. Any increase of loss caused by or resulting from:
 - a. Delay in rebuilding, repairing or replacing the covered property or resuming **operations** due to the interference by striking employees; or
 - b. Suspension, lapse or cancellation of any license, lease or contract. But if the suspension, lapse or cancellation is directly caused by the suspension of **operations**, we will cover such loss that affects your **business income** during the **period of restoration**.

This Form must be attached to Change Endorsement when issued after the policy is written.

One of the **Fireman's Fund Insurance Companies** as named in the policy

Secretary



President



C. Additional Coverages

1. Extra Expense

We will pay any **Extra Expense** to:

- a. Minimize the suspension of business and to continue **operations** at the described premises, replacement premises or at temporary locations including relocation expenses and costs to equip and operate the replacement or temporary locations.
- b. Minimize the suspension of business if you cannot continue **operations**.
- c. Repair or replace any property or to research, replace or restore the lost information on damaged valuable papers and records to the extent it reduces the amount of loss that otherwise would have been payable under this Endorsement.

The most we will pay for loss or damage in any one loss is \$ **2,887,280**. This limit is in addition to the Limit of Insurance shown in the Declarations of this Coverage Section.

2. Civil Authority

We will pay for the actual loss of **Business Income** you sustain and necessary **Extra Expense** caused by action of civil authority that prohibits access to the described premises due to a direct physical loss of or damage to property, other than at the described premises, caused by or resulting from any **covered cause of loss**. This coverage will apply for a period of up to 30 consecutive days from the date of that action.

3. Alterations and New Buildings

We will pay for the actual loss of **Business Income** you sustain due to direct physical loss or damage at the described premises caused by or resulting from any **covered cause of loss** to:

- a. New buildings or structures, whether complete or under construction;
- b. Alterations or additions to existing buildings or structures; and
- c. Machinery, equipment, supplies or building materials located on or within 1,000 feet of the described premises used in the construction, alterations, additions or incidental to the occupancy of new buildings.

If such direct physical loss or damage delays the start of **operations**, the **period of restoration** will begin on the date **operations** would have begun if the direct physical loss or damage had not occurred.

D. Limits of Liability

The most we will pay for any one loss in any one occurrence is the applicable Limit of Insurance or Sublimit of Insurance shown in the Declarations for **Business Income** and **Rental Value**. Unless otherwise stated, payments made under Additional Coverages will not increase the applicable Limit of Insurance.

E. Coinsurance Provisions

If a coinsurance percentage is shown in the Declarations, unless otherwise stated, the following conditions apply except to Extensions of Coverage and the following Additional Coverages:

1. Civil Authority; and
2. Alterations and New Buildings.

We will not pay the full amount of any loss if the Limit of Insurance for Business Income is less than the Coinsurance percentage shown for Business Income in the Declarations times the sum of the Net Income (Net

Profit or Loss before income taxes) and all operating expenses, including payroll expenses that would have been earned (had no loss occurred) by your **operations** at the described **premises** for the 12 months following the inception, or last previous anniversary date, of this policy (whichever is later). Instead, we will determine the most we will pay using the following steps:

1. Multiply the Net Income and operating expense for the 12 months following the inception, or last previous anniversary date, of this policy by the coinsurance percentage;
2. Divide the Limit of Insurance for the described **premises** by the figure determined in step 1; and
3. Multiply the total amount of loss by the figure determined in step 2.

We will pay the amount determined in step 3 or the Limit of Insurance, whichever is less. For the remainder, you will either have to rely on other insurance or absorb the loss yourself.

F. Loss Settlement

1. The amount of **Business Income** loss will be determined based on:
 - a. The Net Income of the business before the direct physical loss or damage occurred;
 - b. The likely Net Income of the business if no loss or damage occurred;
 - c. The operating expenses, including payroll expenses, necessary to resume **operations** with the same quality of service that existed just before the direct physical loss or damage; and
 - d. Other relevant sources of information including your financial records, accounting procedures, bills, invoices and other vouchers, deeds, liens or contracts.
2. The amount of **Extra Expense** will be determined based on the excess of the total expenses you incur in an attempt to continue **operations** over and above the expenses you would have incurred during the same period had no loss or damage occurred.
3. We will reduce the amount of your:
 - a. **Business Income** loss, other than **Extra Expense**, to the extent you can resume your **operations**, in whole or in part, by using damaged or undamaged property (including merchandise or stock) at the described premises or elsewhere.
 - b. **Extra Expense** to the extent you can return **operations** to normal and discontinue such **Extra Expense**.
4. If you do not resume **operations**, or do not resume **operations** as quickly as possible, we will pay based on the length of time it would have taken to resume **operations** as quickly as possible.
5. If the Declarations of this Coverage Section shows that:
 - a. **Ordinary payroll** is covered, then your **ordinary payroll** expenses will not be deducted when determining your **Business Income** loss;
 - b. **Ordinary payroll** is limited, then your **ordinary payroll** expenses will not be deducted for the number of days stated in the Declarations of this Coverage Section when determining your **Business Income** Loss;
 - c. **Ordinary payroll** is not covered, then your entire **ordinary payroll** expenses will be deducted in determining your **Business Income** Loss.

6. We will pay for covered loss within 30 days after we receive the sworn proof of loss if you have complied with all of the terms of this Coverage Section and we have reached agreement with you on the amount of loss.

G. Additional Definitions

1. **Business Income** means the net income (net profit or loss before income taxes) that would have been earned or incurred and continuing normal operating expenses incurred, including payroll.
2. **Extra Expense** means necessary expenses you incur during the **period of restoration** that you would not have incurred if there had been no direct physical loss or damage to covered property caused by or resulting from a **covered cause of loss**.
3. **Finished Stock** means stock you have manufactured including whiskey and alcoholic products being aged. But it does not include stock you have manufactured that is held for sale on the premises of any retail outlet insured under this Coverage Section.
4. **Operations** means your business activities occurring at the described **premises** and the tenantability of the described premises.
5. **Ordinary Payroll** means payroll expenses for all of your employees except officers, executives, department managers, employees under contract and other key employees.
6. **Period of Restoration** means the period of time that begins with the date of direct physical loss or damage caused by or resulting from any **covered cause of loss** at the described premises and ends on the date when the property at the described premises should be repaired, rebuilt or replaced with reasonable speed and similar quality.

Period of Restoration does not include any increased period due to the enforcement of any ordinance or law that:

- a. Regulates the construction, use or repair, or requires the tearing down of any property or requiring the removal of **asbestos**; or
- b. Requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of **pollutants**.

The expiration date of this policy will not cut short the **period of restoration**.

7. Rental Value means:

- a. The total anticipated rental income from tenant occupancy of the premises described in the Declarations of this Coverage Section as furnished and equipped by you, and
- b. The amount of all charges which are the legal obligation of the tenant(s) and which would otherwise be your obligations, and
- c. The fair rental value of any portion of the described premises which is occupied by you.

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**Property-Gard Select Endorsement - Extended Business Income Coverage
190005 05 94**

Policy Amendment(s) Commercial Property Coverage

Insured: **SPRING MOUNTAIN VINEYARD INC**

Policy Number: **S 90 MZX 80997457**

Producer: **ARTHUR J GALLAGHER & CO**

Effective Date: **06-01-19**

In consideration of the premium charged, coverage under this policy is extended as described below. This endorsement is otherwise subject to all terms, conditions, provisions and stipulations of the Property-Gard Select Coverage Section.

- A. We will pay for the actual loss of **Business Income** you incur during the period that begins on the date property (except **finished stock**) is actually repaired rebuilt or replaced and **operations** are resumed and ends on the earlier of:
1. The date you could restore your **operations**, with reasonable speed, to the condition that would have existed if no direct physical loss or damage occurred; or
 2. **365** consecutive days after the date determined in 1. above.
- B. Loss of **Business Income** must be caused by direct physical loss or damage at the described premises caused by or resulting from any **covered cause of loss**.

This Form must be attached to Change Endorsement when issued after the policy is written.
One of the **Fireman's Fund Insurance Companies** as named in the policy

Secretary 

President 

Property-Gard Select - Transportation Coverage Extension - 190011 05 94

Policy Amendment(s) Commercial Property Coverage

Insured: **SPRING MOUNTAIN VINEYARD INC**Policy Number: **S 90 MZX 80997457**Producer: **ARTHUR J GALLAGHER & CO**Effective Date: **06-01-19**

In consideration of the premium charged, coverage under this policy is extended as described below. This endorsement is otherwise subject to all terms, conditions, provisions and stipulations of the Property-Gard Select Coverage Section.

A. Coverage

In consideration of an additional premium, this policy is extended to cover:

1. Property in the custody of a common carrier by motor vehicle, including connecting carriers;
2. Property in transit in, on or towed by any vehicle which you own lease or operate;

from the time such property leaves the initial point of shipment and continuously thereafter while in the ordinary course of transit until delivered at destination.

B. Limit of Insurance

The most we will pay for loss or damage in any one occurrence is \$ **100,000** including any covered expense or other covered charges.

C. Deductible

We will not pay for loss or damage in any one occurrence until the amount of loss or damage exceeds \$ **1,000**. We will then pay the amount of loss or damage in excess of the Deductible up to the applicable Limit of Insurance.

D. Paragraph C.10. of the Property-Gard Select Real and Personal Property Coverage Section, Property Not Insured, is deleted.

E. Section C. of the Property-Gard Select Real and Personal Property Coverage Section, Property Not Insured, is amended to include the following:

12. Property you ship by mail from the time such property passes into the custody of the U.S. Postal Service;
13. Property that is waterborne except when on a transporting land conveyance aboard any regular licensed ferry on an inland waterway, and then to include general average and salvage charges for which you may be liable;

This Form must be attached to Change Endorsement when issued after the policy is written.
One of the Fireman's Fund Insurance Companies as named in the policy

Secretary

President

190011 5-94

Page 1 of 3

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14. Export shipments after such shipments are loaded on board an exporting conveyance on the date such export shipments are covered by a Marine Insurance Policy or on import shipments until Marine Coverage ceases;
15. Property of others carried by you while acting as a common carrier, broker, loader, consolidator or freight forwarder, unless otherwise provided herein;
16. Live animals, except we will pay for claims arising from death or injury rendering death immediately when caused by:
 - a. Fire, lightning, windstorm, **flood**, riot, riot attending a strike; or
 - b. Collision, derailment, upset or overturn of the transporting vehicle; or
 - c. The stranding, sinking, burning or collision of any regular ferry operations on inland waterways.

F. Exclusion D.2.a. is deleted and replaced by the following:

- a. Shortage disclosed by audit or upon taking inventory;

G. Section D. 2. of the Property-Gard Select Real and Personal Property Coverage Section, Exclusions, is amended to include the following:

- h. Leakage, breaking, marring or scratching unless caused by fire, lightning, windstorm, **flood**, collision, derailment, upset or overturn of the transporting vehicle, or the stranding, sinking, burning or collision of any regular ferry operating on inland waterways;
- i. Improper packing;
- j. Interruption of business, delay, loss of use, loss of market or use, or indirect or consequential loss of any kind.

H. Section F. of the Property-Gard Select Building and Personal Property Coverage Section, Extensions of Coverage, is amended to include the following:

11. F.O.B. Shipments

Coverage is provided for your contingent interest in Property Insured you sell to others that is shipped to them at their risk of loss. However, this coverage only applies if you cannot collect on the bill of sale because the property has been damaged by a **covered cause of loss** and your customer has refused or is unable to pay.

12. Cargo Legal Liability

Subject to all provisions of this policy we cover your legal liability while you are acting as a carrier for hire for loss to property not owned by you. The most we will pay for loss or damage under this extension of coverage is \$10,000.

13. Fraudulent Bills of Lading

Coverage provided by this Endorsement shall also apply to loss of merchandise occasioned by the acceptance of fraudulent bills of lading, shipping or messenger receipts.

I. Special Conditions

1. Valuation

The value of the covered property at the time loss or damage occurs will be established as follows:

- a. Covered property shipped to you or on your behalf will be valued at your invoice cost plus costs or charges (including your commission as selling agent) that have accrued and are legally due.
- b. Covered property you have sold or property you ship on behalf of others will be valued at your selling invoice plus any guaranteed, prepaid or advanced freight.
- c. Covered property not under invoice will be valued at actual cash value at the point of its destination on the date the loss occurs less any charges saved that would have been due and payable upon delivery at destination.

2. Territorial Limits

Coverage under this endorsement shall only apply to loss or damage occurring within the 48 contiguous states of the United States, the District of Columbia, Canada, or within the State of Alaska or within the State of Hawaii.

3. Released Bill of Lading

You are permitted to accept released value Bills of Lading from carriers for hire. You may waive subrogation rights against railroads under side track agreements. Otherwise, you are not permitted to enter into any special agreements with carriers or bailees releasing them from their common law or statutory liability. We will not be liable for any loss or damage which, without our written consent, has been settled or compromised by you.

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Page 3 of 3

SMV 05488

Property-Gard Select Endorsement - Loss Payable Provisions
190014 05 94

Policy Amendment(s) Commercial Property Coverage

Insured: **SPRING MOUNTAIN VINEYARD INC**

Policy Number: **S 90 MZX 80997457**

Producer: **ARTHUR J GALLAGHER & CO**

Effective Date: **06-01-19**

This endorsement modifies insurance provided under the Property-Gard Select Real and Personal Property Coverage Section.

Schedule

Loc. No.(s)	Description of Property	Loss Payee	Provisions Applicable (A., B., or C. below)
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(If no entry appears above, information required to complete this Endorsement will be shown in the Declarations as applicable to this Endorsement.)

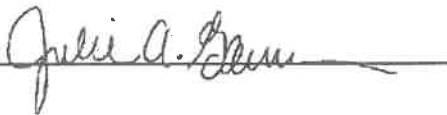
The following is added to the Loss Payment Provision, of the Property-Gard Select Loss Conditions Form, as indicated in the Declarations or in the above Schedule:

A. Loss Payable

For covered property in which both you and a Loss Payee shown in the above Schedule or in the Declarations have an insurable interest, we will adjust losses with you and pay any claim for loss or damage jointly to you and the Loss Payee, as interests may appear.

This Form must be attached to Change Endorsement when issued after the policy is written.
One of the Fireman's Fund Insurance Companies as named in the policy

Secretary



President



B. Lender's Loss Payable

1. The Loss Payee shown in the above Schedule or in the Declarations is a creditor, including a mortgageholder or trustee, whose interest in covered property is established by such written instruments as warehouse receipts, a contract for deed, bills of lading, financing statements or mortgages, deeds of trust or security agreements.
2. For covered property in which you and a Loss Payee have an insurable interest:
 - a. We will pay for covered loss or damage to each Loss Payee in their order of precedence, as interests may appear.
 - b. The Loss Payee has the right to receive loss payment even if the Loss Payee has started foreclosure or similar action on the covered property.
 - c. If we deny your claim because of your acts or because you have failed to comply with the terms of the Coverage Section, the Loss Payee will still have the right to receive loss payment if the Loss Payee:
 - (1) Pays any premium due under this Coverage Section at our request if you have failed to do so;
 - (2) Submits a signed, sworn proof of loss within 60 days after receiving notice from us of your failure to do so; and
 - (3) Has notified us of any change in ownership, occupancy or substantial change in risk known to the Loss Payee.

All other terms of this Coverage Section will then apply directly to the Loss Payee.

- d. If we pay the Loss Payee for any loss or damage and deny payment to you because of your acts or because you have failed to comply with the terms of this Coverage Section:
 - (1) The Loss Payee's rights will be transferred to us to the extent of the amount of the amount we pay; and
 - (2) The Loss Payee's rights to recover the full amount of the Loss Payee's claim will not be impaired.

At our option, we may pay to the Loss Payee the whole principal on the debt plus any accrued interest. In this event, you will pay your remaining debt to us.

3. If we cancel this policy, we will give written notice to the Loss Payee at least 10 days before the effective date of cancellation if we cancel for your nonpayment of premium or 30 days before the effective date of cancellation if we cancel for any other reason.
4. If we elect not to renew this policy, we will give written notice to the Loss Payee at least 10 days before the expiration date of this policy.

C. Contract of Sale

1. The Loss Payee shown in the Schedule or in the Declarations is a person or organization you have entered a contract with for the sale of covered property.
2. For covered property in which both you and the Loss Payee have an insurable interest, we will adjust losses with you and pay any claim for loss or damage jointly to you and the Loss Payee, as interests may appear.



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Property-Gard Select Endorsement - California Changes - Actual Cash Value - 190072 09 00

Policy Amendment(s) Commercial Property Coverage

Insured: **SPRING MOUNTAIN VINEYARD INC**

Policy Number: **S 90 MZX 80997457**

Producer: **ARTHUR J GALLAGHER & CO**

Effective Date: **06-01-19**

This endorsement modifies insurance provided under the Property-Gard Select Real and Personal Property Coverage Section

The following is added to any provision which uses the term actual cash value:

Actual Cash Value is calculated as the amount it would cost to repair or replace Covered Property, at the time of loss or damage, with material of like kind and quality, subject to a deduction for deterioration, depreciation and obsolescence. Actual cash value applies to the valuation of Covered Property regardless of whether that property has sustained partial or total damage.

The actual cash value of the lost or damaged property may be significantly less than its replacement cost.

This Form must be attached to Change Endorsement when issued after the policy is written.
One of the **Fireman's Fund Insurance Companies** as named in the policy


Secretary


President

190072 9-00

SMV 05491

**Property-Gard Select - Equipment Breakdown Coverage Endorsement
190083 07 03**

Policy Amendment(s) Commercial Property Coverage

Insured: SPRING MOUNTAIN VINEYARD INC

Policy Number: S 90 MZX 80997457

Producer: ARTHUR J GALLAGHER & CO

Effective Date: 06-01-19

This endorsement modifies Insurance provided under the Property-Gard Select Real and Personal Property Coverage Section**Schedule of Equipment Breakdown Coverage Deductibles**

Damage to Covered Property:

Time Element Loss:

Perishable Stock:

If a Deductible Amount is not shown above, then coverage provided by this endorsement is subject to the Deductible Amount shown in the Declarations for each applicable location covered under this policy.

Schedule of Equipment Breakdown Coverage Limits

Coverage Description

Limit of Insurance

Damage to Covered Property

Time Element Loss

Perishable Stock

Hazardous Substances

Expediting Expense

Data Restoration

Special Provisions

The coverage provided by this endorsement is subject to the limits shown above. If a limit is not specified, then the Limits of Insurance shown for each applicable location covered under this policy or the limit shown in this endorsement will apply.

(If no entry appears above, information required to complete this Endorsement will be shown in the Declarations as applicable to this Endorsement.)

This Form must be attached to Change Endorsement when issued after the policy is written.
One of the Fireman's Fund Insurance Companies as named in the policy

Secretary

President

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Page 1 of 5

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A. Coverage

1. We will pay for direct physical loss or damage to property covered by this policy caused by an **equipment breakdown to covered equipment**.
2. Perishable Stock
 - a. We will pay for the following loss, damage and expense that is caused by an **equipment breakdown to covered equipment**:
 - (1) your loss of **perishable stock** due to spoilage;
 - (2) your loss of **perishable stock** due to contamination from the release of refrigerant, including but not limited to ammonia; and
 - (3) any necessary expenses you incur to reduce the amount of **perishable stock** loss to the extent that they do not exceed the amount of loss that otherwise would have been payable for **perishable stock**.
 - b. Our payment for **perishable stock** will be made in accordance with the Valuation provisions for **stock**.
 - c. The most we will pay for loss of **perishable stock**, including necessary expense you incur to reduce loss, is \$25,000, unless otherwise shown in the Schedule of Equipment Breakdown Coverage Limits.
3. Hazardous Substances

We will pay for the additional cost to repair or replace Covered Property because of contamination by a hazardous substance caused by an **equipment breakdown to covered equipment**. This includes the additional expenses to clean up or dispose of such property. Additional costs mean those beyond what would have been required had no hazardous substance been involved. Hazardous substance means any substance other than ammonia that has been declared to be hazardous to health by a governmental agency.

The most we will pay for additional cost and expense because of contamination by a hazardous substance including **time element loss** and loss of **perishable stock**, is \$100,000, unless otherwise shown in the Schedule of Equipment Breakdown Coverage Limits.

B. Special Exclusions

Except as specified below, all Exclusions and Limitations in the Property - Gard Select Real and Personal Property Coverage Section apply to this endorsement.

1. Exclusions D.2.e., D.2.f. and D.3.f. do not apply to coverage provided by this endorsement.
2. The following Exclusions are added as respects the coverage provided by this endorsement.

We will not pay for loss or damage caused by or resulting from:

- a. Fire, lightning, explosion (except as specifically provided in F.2.b.), windstorm or hail, smoke, aircraft or vehicles, riot or civil commotion, vandalism, leakage from fire protective equipment, breakage of glass, falling objects, collapse, or weight of snow, ice or sleet;
- b. Freezing from weather related events;
- c. Any earth movement, such as an earthquake, landslide, mine subsidence or earth sinking, rising or shifting;

- d. **Flood.** However, if electrical **covered equipment** requires drying out because of a **flood**, we will pay for the direct expense of such drying out subject to the applicable Limit of Insurance and Deductible.
- e. Any of the following tests:
 - (1) A hydrostatic, pneumatic or gas pressure test of any boiler or pressure vessel; or
 - (2) An insulation breakdown test of any type of electrical equipment.
- f. Any defect, virus, loss of data or other situation within **electronic data processing media**. But if loss or damage from an **equipment breakdown** results, we will pay for that resulting loss or damage.

Electronic Data Processing Media means punchcards, tapes, discs, cells or other magnetic or optical recording or storage devices including the information recorded on the media. It also includes the original source material used to enter data and/or program. But it does not include any memory bank attached to production machinery nor any property in course of manufacture or property you hold for sale or demonstration.

If any provision included in this policy is more restrictive than this exclusion, that other provision will supersede this exclusion.

C. Extensions of Coverage

The following coverages also apply to loss caused by or resulting from an **equipment breakdown to covered equipment**. These coverages do not provide additional amounts of insurance.

1. Service Interruption

The insurance provided for **time element loss** and **perishable stock** is extended to apply to loss caused by or resulting from an **equipment breakdown** to equipment that is:

- a. Owned by a utility, landlord, or other supplier contracted by you; and
- b. Used to supply electrical power, communications, waste disposal, air conditioning, refrigeration, heating, gas, air, water or steam to your **premises**.

This Service Interruption coverage supersedes and replaces any other provision or endorsement in the policy that would otherwise cover a loss covered under this Service Interruption coverage.

2. Expediting Expense

We will pay reasonable increased costs you incur for temporary repair and for expediting the permanent repair or permanent replacement of damaged Covered Property. This includes payment of overtime wages and the extra cost of express or other rapid means of transportation. The most we will pay for these increased costs is \$100,000, unless otherwise shown in the Schedule of Equipment Breakdown Coverage Limits.

3. Data Restoration

We will pay for your cost to research, replace and restore data, including programs and operating systems, that is lost or corrupted due to an **equipment breakdown to covered equipment**. The most we will pay for loss or damage under this coverage is \$50,000 unless otherwise shown in the Schedule of **Equipment Breakdown Coverage Limits**.



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D. Deductible

1. The coverage provided by this endorsement is subject to the deductibles shown in the Schedule of **Equipment Breakdown** Coverage Deductibles. Unless otherwise shown in the Schedule the following apply:
 - a. **Time Element Loss** Deductibles apply to **time element loss**, including **time element loss** under Service Interruption coverage.
 - b. **Perishable Stock** Deductibles apply to loss to **perishable stock**, including **perishable stock** loss under Service Interruption coverage.
 - c. **Damage to Covered Property** Deductibles apply to all other loss or damage covered by this endorsement including loss to **perishable stock** if no other **Perishable Stock** deductible is specified and **time element loss** if no other **Time Element Loss** Deductible is specified.
2. If a dollar deductible is shown in the Schedule of **Equipment Breakdown** Coverage Deductibles, we will not pay for loss or damage resulting from any one **equipment breakdown** until the amount of loss or damage exceeds the applicable Deductible shown. We will then pay the amount of loss or damage in excess of the Deductible, up to the applicable Limit of Insurance.
3. If a time deductible is shown in the Schedule of **Equipment Breakdown** Coverage Deductibles for **Time Element Loss**, we will not be liable for any loss occurring during the specified number of hours or days immediately following the **equipment breakdown**. If a time deductible is expressed in days, each day shall mean twenty-four consecutive hours.
4. If a Multiplier is shown in the Schedule of **Equipment Breakdown** Coverage Deductibles for **Time Element Loss**, the deductible is determined by multiplying the One Hundred Percent Average Daily Value (100% ADV) times the Multiplier. The 100% ADV will be obtained by dividing the total net profits, fixed charges and expenses that would have been earned had no damage occurred during the period of interruption of business by the number of working days in that period. No reduction shall be made for net profits, fixed charges and expenses not being earned, or in the number of working days, because of the physical loss or damage to Covered Property or other scheduled or unscheduled shutdown(s) during the period of interruption. The ADV applies to all locations included in the valuation of the loss.
5. If a **Perishable Stock** deductible is expressed as a percentage of loss, we will not be liable for the indicated percentage of the gross amount of loss or damage (prior to any applicable deductible or coinsurance) insured under the applicable coverage. If the dollar amount of such percentage is less than the indicated minimum deductible, the minimum deductible will be the applicable deductible.
6. For purposes of Paragraph D. of the Property-Gard Select Real and Personal Property Coverage Form:
 - a. The Deductible Amounts shown in the Schedule of **Equipment Breakdown** Deductibles will be applied separately and individually to the applicable loss or damage.
 - b. The total of the individual Deductible Amounts shown in the Schedule of **Equipment Breakdown** Deductibles will be considered to be a single amount.

E. Suspension

If any **covered equipment** is found to be in, or exposed to, a dangerous condition, any of our representatives may immediately suspend the coverage provided by this endorsement for that **covered equipment**. This can be done by delivering or mailing a written notice of suspension to:

1. Your last known address; or
2. The address where the equipment is located.

Once suspended in this way, your insurance can be reinstated only by endorsement.

F. Additional Definitions

1. **Covered equipment**, unless otherwise specified in the Special Provisions, means Covered Property built to operate under vacuum or pressure, other than weight of contents, or used for the generation, transmission or utilization of energy.

Covered equipment does not include:

- a. structures and foundations, (other than a bedplate of a machine);
- b. air supported structures or buildings;
- c. insulating or refractory materials;
- d. vehicles, aircraft or floating vessels or any equipment mounted on such vehicles, aircraft or floating vessels. However, any property that is stationary, permanently installed at a covered location and that receives electrical power from an external power supplier will not be considered a vehicle, aircraft or floating vessel;
- e. draglines, excavation or construction equipment;
- f. equipment manufactured by you for sale;
- g. sewer piping, buried vessels or piping, or piping forming a part of a sprinkler system; or
- h. water piping other than boiler feedwater piping, boiler condensate return piping or water piping forming a part of a refrigerating or air conditioning system.

2. **Equipment breakdown** means direct physical loss as follows:

- a. Artificially generated electric current, including electric arcing, that disturbs electrical devices, appliances or wires;
- b. Explosion of steam boilers, steam piping, steam engines or steam turbines owned or leased by you, or operated under your control;
- c. Loss or damage to steam boilers, steam pipes, steam engines or steam turbines caused by or resulting from any condition inside such equipment;
- d. Loss or damage to hot water boilers or other water heating equipment caused by or resulting from any condition inside such boilers or equipment;
- e. Mechanical breakdown, including rupture or bursting caused by centrifugal force.

The term **Covered Cause of Loss** includes the causes of loss listed in 2.a. through 2.e. above.

3. **Perishable stock** means personal property maintained under the controlled conditions required for its preservation and susceptible to loss or damage if the controlled conditions change.
 4. **Time Element Loss**, as used in this endorsement, means any of the following coverages provided by this policy: Business Income, Extra Expense, Business Income with Extra Expense, Business Income from Dependent Properties, Extended Business Income, Rental Value, or any other similar coverage.
- G. The provisions of this endorsement shall not increase any amount or Limit of Insurance otherwise provided in this policy.
- H. This endorsement is otherwise subject to all the terms, conditions, provisions and stipulations of the policy to which it is attached.

Property-Gard Select - Basic Extensions of Coverage for Wineries 190092 05 06

Policy Amendment(s) Commercial Property Coverage

This endorsement modifies insurance provided under the following:

Property-Gard Select Real and Personal Property Coverage Section - 190001

Property-Gard Select Endorsement - Business Income with Extra Expense Coverage - 190004

Commercial Property Coverage

Schedule

Coverage	Combined Limit	Limit of Insurance	Deductible \$	Gallons
Wine caves		Included with Policy	Policy Deductible	
Animal Damage				
Beverage Leakage				
Contract Penalty				
Damage During Production				
Employee Theft - Limited and Forgery - Limited				
Per Occurrence	N/A			
Annual Aggregate	N/A			
Expediting Expense				
Fire Protection Equipment				
F.O.B. Shipments				
Mobile Agricultural Equipment				
Mobile Agricultural Equipment				
Rental Cost Reimbursement				
Packaging Errors Annual Aggregate				
Perishable Stock				
Per Occurrence	N/A			
Annual Aggregate	N/A			
Processing Water				
Trellis or Vines				
Unintentional Errors				
Worldwide Air Shipments				
Combined Limit of Insurance	\$			

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

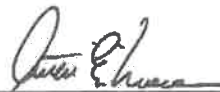
This Form must be attached to Change Endorsement when issued after the policy is written.

One of the Fireman's Fund Insurance Companies as named in the policy

Secretary



President



If **0** appears in the Schedule of this Endorsement, or in the Declarations applicable to this Endorsement, no coverage is provided for the described coverage.

If **N/A** is shown for a described coverage or the described coverage does not have a corresponding Limit of Insurance shown in the Schedule of this Endorsement, or in the Declarations applicable to this Endorsement, no coverage is provided for the described coverage.

If **combined** appears for a described coverage under the **Combined Limit** in the Schedule of this Endorsement, or in the Declarations applicable to this Endorsement, the Limit of Insurance for the described coverage will be appear under the **Combined Limit of Insurance** as shown in the Schedule of this Endorsement or in the Declarations applicable to this Endorsement.

If **N/A** appears for a described coverage under the **Combined Limit** in the Schedule of this Endorsement, or in the Declarations applicable to this Endorsement, the described coverage is not available for inclusion in the **Combined Limit**.

If **Included** appears in the Schedule of this Endorsement, the applicable Limit of Insurance is specified in the Declarations of this policy.

Unless otherwise indicated, the Coinsurance Additional Condition does not apply to coverage provided by this Endorsement.

- I. The following exclusion is added to any coverage part, coverage form, coverage section, coverage provision, extension of coverage, additional coverage, coverage enhancement, or amendatory endorsement attached to this policy:

Except as provided for within the individual Extensions of Coverage contained in Section III. of the Property-Gard Select - Basic Extensions Of Coverage Endorsement For Wineries - 190092, we do not cover any loss of Business Income, Extra Expense, Expediting Expense, Rental Value, Rental Cost Reimbursement or other consequential loss when the Business Income, Extra Expense, Expediting Expense, Rental Value, Rental Cost Reimbursement or other consequential loss is the result of:

- A. Loss or damage to any property added to the policy by the Property-Gard Select - Basic Extensions Of Coverage Endorsement For Wineries - 190092; or
- B. Loss or damage that is caused by or results from a cause of loss that is added under any extension of coverage or additional coverage contained within the Property-Gard Select - Basic Extensions Of Coverage Endorsement For Wineries - 190092.

- II. Item B. **Property Insured**, of the Property-Gard Select Real and Personal Property Coverage Section 190001, is amended as follows:

Wine caves

- A. 1. If a location shown in the Declarations of this policy indicates the location is a **wine cave**, and there is a Business Real Property Limit of Insurance that applies to the **wine cave**, then the following is added to Item 1., of Section B, **Property Insured**, of the Property-Gard Select Real and Personal Property Coverage Section 190001 as respects real property you own or which you lease or rent from others in which you have an insurable interest:

Wine caves:

Retaining walls, foundations and other structural materials used in the support of **wine caves**, but we will not pay your cost to dig or excavate such **wine cave**.

2. Item 3. under Section B., **Property Insured**, with respect to real property, will not apply to:
 - a. New construction of any **wine cave**;
 - b. Additions under construction to any **wine cave**;

- c. Alterations and repairs to any **wine cave**;
 - d. Materials, equipment, supplies and temporary structures used in the construction, alteration or repair of any **wine cave**.
 - B. If a location shown in the Declarations of this policy indicates the location is a **wine cave**, and there is a Business Personal Property Limit of Insurance that applies to the **wine cave** location, we will cover personal property insured from a **covered cause of loss** while such property is in the **wine cave**, up to the Business Personal Property Limit of Insurance that applies to the **wine cave** location.
 - C. Item 7. of Section C., **Property Not Insured**, does not apply with respect to coverage provided for wine caves.
 - D. The Limit of Insurance for any **wine cave** and the personal property insured within such **wine cave** shall be as indicated in the Declarations of, or by Endorsement to, this policy. This Extension of Coverage does not add or change any Limit of Insurance shown in the Declarations of this policy or any Endorsement attached thereto.
 - E. Section J., **Coinsurance Provisions**, as applicable to your real and personal property, shall also apply to **wine caves** and personal property contained within **wine caves**.
- III. Section F., Extensions of Coverage, of the Property-Gard Select Real and Personal Property Coverage Section - 190001 is amended to include the following:
- A. **Animal Damage**
 - 1. We will pay for direct physical loss of or damage to **stock and wine product** insured under this policy at the **premises** described in the Declarations of this policy caused by or resulting from **animals**.
 - 2. Item 2.b., of Section D., **Exclusions**, is deleted and replaced by the following, but only with respect to coverage provided by this Extension of Coverage:
 - b. (1) Insects;
 - (2) Birds;
 - (3) Bats; or
 - (4) Mice, rats, and other mammals that are classified as Rodentia;
 - 3. The most we will pay under this Extension of Coverage is the Limit of Insurance shown in the Schedule that applies to this Endorsement for Animal Damage.
 - 4. This Extension of Coverage does not include loss or damage to trellis, drip irrigation systems attached to the trellis, vines, grapes growing on vines, **mobile agricultural equipment, fire protection equipment or processing water**.
 - B. **Beverage Leakage**
 - 1. We will pay for direct physical loss or damage to **wine products and other perishable stock** insured under this policy due to the leakage of the **wine product or perishable stock** from:
 - a. Bulk processing or storage vessels usual to your business;
 - b. The valves and fittings of the bulk processing or storage vessels described in (1) above; and
 - c. Hoses or piping connected to the bulk processing or storage vessels described in (1) above.
 - 2. We will only pay for the leakage of **wine product and perishable stock** that occurs at the **premises** described in the Declarations of this policy.

3. We will not pay under this Extension of Coverage for any shortage, leakage, spillage, evaporation or dissipation that is normal, usually anticipated, or customary in the process of your operations.
4. The most we will pay for all loss or damage covered by this Extension of Coverage in any one occurrence is the Limit of Insurance for Beverage Leakage as shown in the Schedule that applies to this Endorsement.
5. This Beverage Leakage Extension of Coverage shall not increase any amounts or Limits of Insurance provided by this Coverage Section or the policy to which it is attached.

C. Contract Penalty Clause Coverage

1. We will pay the contractual penalties you are required to pay to your customers, as a result of any clause in contracts you enter into prior to a loss, for failure to timely deliver your product according to the contract terms.
2. Such penalties must solely result from direct physical loss or damage to Property Insured that is caused by or resulting from a **Covered Cause of Loss**.
3. The most we will pay for loss, damage, expense, or penalties in any one occurrence under this Extension of Coverage, regardless of the number of contracts affected, is the Limit of Insurance shown in the Schedule of this Endorsement that applies to Contract Penalty.

D. Damage During Production

1. If you use reasonable care to maintain all heating, cooling or humidity control equipment in proper operating condition, we will pay for direct physical loss of or damage to **stock and wine product** insured under this policy during production at the **premises** described in the policy Declaration caused by or resulting from:
 - a. Mechanical or electrical breakdown of heating, cooling or humidity control equipment which is owned or used by you; or
 - b. A power failure beyond your control which causes a change in temperature or humidity.
2. The most we will pay under this Extension of Coverage is the Limit of Insurance shown in the Schedule that applies to this Endorsement for Damage During Production.

E. Employee Theft - Limited and Forgery or Alteration - Limited

1. Employee Theft - Limited

We will pay for loss of or damage to **money, securities and other property** resulting directly from **theft** committed by an **employee**, whether identified or not, acting alone or in collusion with other persons.

2. Forgery or Alteration - Limited

We will pay for loss resulting directly from **forgery** or alteration of checks, drafts, promissory notes, or similar written promises, orders or directions to pay a sum certain in **money** that are:

- a. Made or drawn by or drawn upon you; or
 - b. Made or drawn by one acting as your agent;
- or that are purported to have been so made or drawn.

3. The following exclusions apply to Employee Theft - Limited and Forgery or Alteration - Limited:

- a. Loss resulting from **theft** or any other dishonest act committed by:



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- (1) You; or
 - (2) Any of your partners or **members**;
- whether acting alone or in collusion with other persons.
- b. Loss resulting from **theft** or any other dishonest act committed by any of your **employees**, **managers**, directors, trustees or authorized representatives:
 - (1) Whether acting alone or in collusion with other persons; or
 - (2) While performing services for you or otherwise;
 except when covered under Employee Theft - Limited.
 - c. Loss that is an indirect result of any act or **occurrence** covered by Employee Theft - Limited and Forgery or Alteration - Limited, including but not limited to, loss resulting from:
 - (1) Your inability to realize income that you would have realized had there been no loss of or damage to **money**, **securities** or **other property**.
 - (2) Payment of damages of any type for which you are legally liable. But, we will pay compensatory damages arising directly from a loss covered under Employee Theft - Limited and Forgery or Alteration - Limited.
 - (3) Payment of costs, fees or other expenses you incur in establishing either the existence or the amount of loss under Employee Theft - Limited and Forgery or Alteration - Limited.
 - d. Expenses related to any legal action.
4. The following exclusions apply to Employee Theft - Limited:
- a. Loss caused by any **employee** of yours, or predecessor in interest of yours, for whom similar prior insurance has been cancelled and not reinstated since the last such cancellation.
 - b. Loss, or that part of any loss, the proof of which as to its existence or amount is dependent upon:
 - (1) An inventory computation; or
 - (2) A profit and loss computation.

However, where you establish wholly apart from such computations that you have sustained a loss, then you may offer your inventory records and actual physical count of inventory in support of the amount of loss claimed.
 - c. Loss resulting directly or indirectly from trading, whether in your name, or in a genuine or fictitious account.
 - d. Loss resulting from fraudulent or dishonest signing, issuing, canceling or failing to cancel, a warehouse receipt or any papers connected with it.
5. The following Conditions apply in addition to the Common Policy Conditions:
- a. This policy does not cover any loss committed by any **employee** immediately after you, or any of your partners, **members**, **managers**, officers, directors or trustees, who are not in collusion with the **employee**, discover any **theft** or other dishonest act committed by the **employee**, whether before or after becoming employed by you.
 - b. We will pay only for loss that you sustain through acts committed or events occurring during the policy period shown in the Declarations and discovered by you:

(1) During the policy period; or

(2) No later than 1 year from the date of termination or cancellation of this insurance. However, this extended period to discover loss terminates immediately upon the effective date of any other insurance obtained by you replacing in whole or in part the insurance afforded hereunder, whether or not such other insurance provides coverage for loss sustained prior to its effective date.

c. If any loss is covered:

(1) Partly by this insurance; and

(2) Partly by any prior cancelled or terminated insurance that we or any affiliate had issued to you or any predecessor in interest;

the most we will pay are the Limits of Insurance shown under item III.E.7. below.

Regardless of the number of years this insurance remains in force or the number of premiums paid, no Limit of Insurance cumulates from year to year or policy period to policy period.

d. The property covered under this insurance is limited to property:

(1) That you own or lease;

(2) That you hold for others whether or not you are legally liable for the loss of such property.

However, this insurance is for your benefit only. It provides no rights or benefits to any other person or organization. Any claim for loss that is covered under this insurance must be presented by you.

e. We will treat signatures that are produced or reproduced electronically, mechanically or by other means the same as handwritten signatures.

6. The following coverage clauses do not apply to this Extension of Coverage, whether such coverage is provided by a coverage form attached to this policy, or contained in any Endorsement or Extension of Coverage added to this policy:

a. Business Income;

b. Extra Expense;

c. Expediting Expense; or

d. Loss Adjustment Expense.

7. Limit Of Insurance

a. The most we will pay for loss, damage, or expense in any one **occurrence** under this Extension of Coverage is the Per Occurrence Limit of Insurance shown in the Schedule of this Endorsement applicable to Employee Theft - Limited and Forgery - Limited.

b. The most we will pay for loss, damage, or expense in all **occurrences** in any one policy period under this Extension of Coverage is the **Annual Aggregate Limit of Insurance** shown in the Schedule of this Endorsement applicable to Employee Theft - Limited and Forgery - Limited.

F. Expediting Expense Coverage

1. When a loss covered by this policy occurs, we will pay the reasonable extra costs for temporary repair of property damaged and for expediting the permanent repair or replacement of such damaged property. This includes overtime wages and extra cost of express or other rapid means of transportation.



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2. We will not pay under Expediting Expense Coverage for:
 - a. Expenses recoverable elsewhere under this policy, such as but not limited to Loss Adjustment Expense, or Extra Expense Coverage; or
 - b. Your costs incurred for the temporary rental or replacement of damaged property.
3. The most we will pay for loss, damage, or expense under this Additional Coverage is the Limit of Insurance shown in the Schedule of this Endorsement that applies to Expediting Expense.

G. Fire Protection Equipment

1. We will pay your costs to recharge or refill **fire protection equipment**; and clean up and remove the fire extinguishing agent resulting from the discharge of a fire-extinguishing agent from **fire protection equipment**.

The discharge must occur at a location described in the Declarations and:

- a. Be caused by or result from the intended operation of the **fire protection equipment** to prevent or control a **Covered Cause of Loss**;
- b. Be accidental; or
- c. Result from a malfunction of the **fire protection equipment**.
2. We will not pay for any loss, damage or expense caused by or resulting from any of the following:
 - a. Any loss that occurs because of your failure to use reasonable care to maintain the **fire protection equipment** in proper operating condition prior to the loss;
 - b. Any discharge from the **fire protection equipment** that occurs at the time of servicing, refilling or testing of the **fire protection equipment**; or
 - c. Any loss to any **fire protection equipment** that is located underground including pipes, flues, or drains unless such loss or damage was caused by a **Covered Cause of Loss**.
3. No deductible applies to this Extension of Coverage.
4. The most we will pay for loss, damage, or expense in any one occurrence under this Extension of Coverage is the Limit of Insurance shown in the Schedule of this Endorsement that applies to Fire Protection Equipment.

H. F.O.B. Shipments

1. We cover your contingent interest in covered property you sell to others that is shipped to them at their risk of loss. However, this coverage only applies if you cannot collect on the bill of sale because the property has been damaged by a **covered cause of loss** and your customer has refused or is unable to pay. When coverage for F.O.B. Shipments applies, we will provide coverage for returned shipments.
2. The most we will pay in any one loss under this Extension of Coverage is the Limit of Insurance shown in the Schedule of this Endorsement for F.O.B. Shipments

I. Mobile Agricultural Equipment

1. We cover **mobile agricultural equipment** you own; and **mobile agricultural equipment** owned by others for which you are liable while such **mobile agricultural equipment** is in your care, custody, or control. We cover the **mobile agricultural equipment** against direct physical loss or damage caused by or resulting from a **covered cause of loss** while:
 - a. At a location described in the Declarations of this policy; and

- b. At any of your vineyards; and
 - c. In transit anywhere within the policy territory.
2. The most we will pay for loss, damage, or expense in any one occurrence under this Extension of Coverage is the Mobile Agricultural Equipment Limit of Insurance shown in the Schedule that applies to this Endorsement.

J. Mobile Agricultural Equipment Rental Cost Reimbursement

- 1. If we provide coverage for Mobile Agricultural Equipment, we will pay your continuing rental cost of leased or rented **mobile agricultural equipment** that you are required to pay under the rental or lease agreement when such **mobile agricultural equipment** is lost or damaged and cannot be used as a result of a **covered cause of loss**.
- 2. The most we will pay under this Mobile Agricultural Equipment Rental Cost Reimbursement Extension of Coverage is the lesser of the following:
 - a. Ten percent (10%) of the Limit of Insurance for Mobile Agricultural Equipment;
 - b. Forty-five (45) consecutive days of rental cost beginning the day after the date of loss or damage;
 - c. The actual rental cost you incur; or
 - d. The Mobile Agricultural Equipment Rental Cost Reimbursement Limit of Insurance shown in the Schedule of this Endorsement.
- 3. No deductible applies to this Extension of Coverage.

K. Packaging Errors

- 1. We will pay your actual cost you incur to repackage your **stock and wine product** insured under this policy due to an error in labeling, bottling or packaging.
- 2. We will only pay such costs if the labeling, bottling or packaging was completed at a location described in the Declarations of this policy, and a Limit of Insurance for Business Personal Property is provided at such location.
- 3. We will not pay such costs if the labeling, bottling or packaging was completed at a location not identified in the Declarations of this policy as a covered location, even if coverage is provided for your Business Personal Property at such location as a result of an Extension of Coverage contained within, or added to, the Property-Gard Select Real and Personal Property Coverage Section.
- 4. Item 3.i.(2) of Section D., **Exclusions**, of the Property-Gard Select Real and Personal Property Coverage Section is deleted and replaced by the following with respect to coverage provided by this Extension of Coverage:
 - (2) Design specifications, repair, construction, renovation, remodeling, grading compaction.
- 5. **Limit of Insurance**

The most we will pay for loss, damage, or expense for all occurrences in any one policy period under this Extension of Coverage is the Packaging Errors **Annual Aggregate** Limit of Insurance shown in the Schedule of this Endorsement.

L. Perishable Stock

- 1. The following is added under Paragraph B., Property Insured, as respects covered personal property:
Perishable stock

We insure the **perishable stock** while at a **premises** described in the Declarations of this policy.

2. The following are deleted from Section D., **Exclusions**, of the Property-Gard Select Real and Personal Property Coverage Section 190001 with respect to your **perishable stock**:
 - a. D.2.b. (Insects, vermin, birds or other animals)
 - b. D.3.b (Changes in temperature or changes in humidity)
 - c. D.3.c. (Shrinkage, evaporation).
3. The following are added to Section D.2., **Exclusions**, of the Property-Gard Select Real and Personal Property Coverage Section 190001 with respect to your **perishable stock**:
 - a. Physical injury, disease or disorder occurring during growing;
 - b. Failure or inability to promptly place the **perishable stock** in storage under conditions usual to standard industry practice except when such failure or inability is the result of loss or damage from a **covered cause of loss**.
 - c. The normal storage life of the **perishable stock** has been exceeded.
 - d. Leakage of contents, except as provided in the Extension of Coverage for Beverage Leakage found elsewhere in this Endorsement.
4. The following are not considered **covered cause of loss** as respects **perishable stock** insured under this Extension of Coverage:

Changes in temperature or changes in humidity, shrinkage, evaporation, change in flavor or texture or finish, decay or other spoilage caused by or resulting from:

 - a. Electric arcing, injury or disturbance, caused by electrical currents artificially generated to electrical appliances, devices, fixtures, wiring or other equipment;
 - b. The explosion, implosion or bursting of steam boilers, steam turbines, steam engines, steam piping, or apparatus attached to or forming a part thereof; or gas turbines or burning, bulging or cracking of boilers, turbines, engines, piping or apparatus attached to and forming a part thereof, when owned, operated or controlled by you;
 - c. Mechanical or machinery breakdown; malfunction, rupture or bursting caused by centrifugal force, to **perishable stock** you own or control;
 - d. Contamination by the refrigerant.
5. The most we will pay in any one occurrence for loss or damage covered by this Extension of Coverage is the Perishable Stock - Per Occurrence Limit of Insurance shown in the Schedule that applies to this Endorsement.

The most we will pay for all occurrences in any one-policy period for loss or damage covered by this Extension of Coverage is the Perishable Stock - Annual Aggregate Limit of Insurance shown in the Schedule that applies to this Endorsement.
6. This Perishable Stock Extension of Coverage shall not increase any amounts or Limits of Insurance provided by this Coverage Section or the policy to which it is attached.

M. Processing Water

1. We will pay your cost to replace **processing water** contained in:
 - a. Above ground storage tanks;

- b. Processing equipment; or
- c. Above ground piping associated with the storage tanks and processing equipment

when the **processing water** has been lost or rendered useless as a result of a **Covered Cause of Loss** occurring to such storage tanks, processing equipment or piping.

- 2. The loss or damage must occur at a **premises described in the Declarations**.
- 3. We will not pay for any loss or damage to water contained in **fire protection equipment**.
- 4. The most we will pay under this Extension of Coverage is the **Processing Water Limit of Insurance** shown in the Schedule that applies to this Endorsement.

N. Trellis or Vines

- 1. We will pay for direct physical loss of or damage to your trellis, drip irrigation systems attached to the trellis, vines, and grapes growing on vines at vineyards you own or lease as shown in the Declarations and used in your business. We will also pay the cost of replacing the lost or damaged:
 - a. Trellis;
 - b. Drip irrigation systems attached to the trellis; and
 - c. Vines. Replacement of vines will be limited to the cost of replacement rootstock, and will include the cost of planting such replacement rootstock.
- 2. We will only pay for loss or damage under this Extension of Coverage when the loss or damage is caused by or the result of one or more of the following:

Fire, lightning, explosion, aircraft, vehicles not owned or operated by you or any of your employees, vandalism, or theft.
- 3. We will not pay for any:
 - a. Loss of business income, extra expense, contract cancellation or contract penalty; or
 - b. Consequential loss that may be incurred until the vines reach production comparable to the production prior to the loss

as a result of loss or damage to trellis, drip irrigation systems attached to the trellis, vines, and grapes growing on vines as covered by this Extension of Coverage.
- 4. The most we will pay under this Extension of Coverage in any one occurrence for loss, damage, and expense to trellis, drip irrigation systems attached to the trellis, vines, or grapes growing on vines is the **Trellis or Vines Limit of Insurance** shown in the Schedule that applies to this Endorsement. This is the most we will pay, whether the loss was to trellis, drip irrigation systems attached to the trellis, vines, or grapes growing on vines or a combination of trellis, drip irrigation systems attached to the trellis, vines, and grapes growing on vines.

O. Unintentional Errors

- 1. Any unintentional error or omission you make in determining or reporting values or in describing the covered property or covered locations shall not void or impair coverage provided by this policy. You must, however, report such errors or omissions to us in writing as soon as you discover them. You also agree to pay such additional premiums as may be appropriate.
- 2. This Extension of Coverage does not apply to loss or damage caused directly or indirectly by flood, earth movement or property which is otherwise insured.



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3. The most we will pay under this Extension of Coverage in any one occurrence, regardless of the number of errors or omissions involved, is the Unintentional Errors Limit of Insurance shown in the Schedule of this Endorsement.

P. Worldwide Air Shipments

1. We will pay for direct physical loss or damage to covered business personal property that is:
 - a. Shipped by you:
 - (1) From any location within the United States of America, Canada, Puerto Rico, or territories or possessions of the United States of America;
to
 - (2) Anywhere in the world, except as indicated in III.P.5. below; and
 - b. Shipped to you:
 - (1) From anywhere in the world, except as indicated in III.P.5. below;
to
 - (2) Any location within the United States of America, Canada, Puerto Rico, or territories or possessions of the United States of America
2. We will only pay for loss or damage to covered business personal property that is shipped via regularly scheduled airlines.
3. The loss or damage must be caused by or resulting from a **Covered Cause of Loss**.
4. Coverage applies from the delivery of business personal property at the point of origin shown in the air waybill until it is discharged at the destination shown in the air waybill.
5. We will not pay for loss or damage to any property in transit:
 - a. To, from or which passes through any country or jurisdiction which is the subject of trade or economic embargoes, sanctions or similar prohibitions imposed by the laws or regulations of the United States of America or Canada;
 - b. If you have purchased separate ocean marine insurance which covers any property in transit; or
 - c. If you are required to provide a negotiable special cargo policy of insurance to any seller, buyer or bank.
6. Paragraph C.10., contained in the Property-Gard Select Real and Personal Property Coverage Section - 190001, does not apply to coverage provided by this Extension of coverage.
7. The most we will pay under this Extension of Coverage is the Limit of Insurance shown in the Schedule of this Endorsement that applies to Worldwide Air Shipments.

IV. Equipment Breakdown Coverage Limitation

If a covered loss occurs that is insured under this Extension Endorsement and either:

- A. A Property-Gard Select - Equipment Breakdown Coverage Endorsement; or
- B. A Boiler and Machinery Coverage Endorsement

is attached to this policy, then the most we will pay under this policy for the covered loss or damage is the Limit of Insurance provided by either the:

A. Property-Gard Select - Equipment Breakdown Coverage Endorsement; or

B. Boiler and Machinery Coverage Endorsement

whichever form is attached to the policy.

V. Special Conditions

A. The value of **wine products** will be in accordance with the Property-Gard Select Wine Products Valuation and Amendatory Endorsement - 190091.

B. The following applies with respect to coverage provided under the Worldwide Air Shipments Extension of Coverage.

1. Valuation

The value of the covered property, excluding **wine products**, at the time of loss or damage will be established as follows:

- a. Property shipped to you or on your behalf will be valued at your invoice cost plus costs or charges (including your commission as selling agent) that have accrued and are legally due.
- b. Property you have sold or property you ship on behalf of others will be valued at your selling invoice plus any guaranteed, prepaid or advanced freight.
- c. Property not under invoice will be valued at actual cash value at the point of its destination on the date the loss occurs less any charges saved that would have been due and payable upon delivery at destination.

2. Released Bill of Lading

You are permitted to accept a released value air waybill from regularly scheduled airlines. Otherwise, you are not permitted to enter into any special agreements with the airlines releasing them from their common law or statutory liability. We will not be liable for any loss, damage, or expense that has been settled or compromised by you without our written consent.

VI. Combined Limit of Insurance

A. If the Schedule that applies to this Endorsement, or the Declarations as applicable to this Endorsement, indicates the Limit of Insurance for a specific coverage is part of the Combined Limit of Insurance, then the Combined Limit of Insurance applies to all of the coverages for which the Combined Limit of Insurance is applicable.

B. The Combined Limit of Insurance:

1. Applies separately at each location shown in the Declarations of this policy; and
2. Is subject to the Deductible shown in the Schedule of this Endorsement or in the Declarations as applicable to this Endorsement; and
3. Does not apply to any location unless the location is specifically listed in the Declarations of this policy as a covered location, even if coverage is provided for your Business Personal Property at such location as a result of an Extension of Coverage contained within, or added to, the Property-Gard Select Real and Personal Property Coverage Section. The Worldwide Air Shipments, Mobile Agricultural Equipment, Mobile Agricultural Equipment Rental Reimbursement, and F.O.B. Shipment Extensions of Coverage are not subject to this location requirement.

C. At the time of loss, the first Named Insured may elect to apportion this Combined Limit of Insurance to one or any combination of coverages for which the Combined Limit of Insurance applies.



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- D. The most we will pay for all loss, damage or expense in any one occurrence for any one coverage, or for any combination of coverages, regardless of how many coverages are involved in the loss, is the Combined Limit of Insurance shown in the Schedule of this Endorsement or in the Declarations as applicable to this Endorsement.

VII. Deductible

The following provisions apply with respect to the coverage provided under this Endorsement:

- A. 1. If the Deductible shown in the Schedule of this Endorsement is:
- a. A dollar amount, then we will not pay for loss or damage in any one occurrence until the amount of covered loss or damage exceeds the Deductible shown in the Schedule of this Endorsement. We will then pay the amount of covered loss or damage in excess of the Deductible, up to the applicable Limit of Insurance.
 - b. A number of gallons, then we will not pay for loss or damage in any one occurrence until the amount of covered loss or damage exceeds the number of gallons shown in the schedule of this Endorsement. We will then pay the amount of covered loss or damage in excess of the number of gallons, up to the applicable Limit of Insurance.
2. If both a dollar amount and a gallon amount are shown in the Schedule of this Endorsement, then the Deductible we will apply to the covered loss will be the greater of the following:
- a. The dollar Deductible; or
 - b. The value, in United States currency, of the number of gallons lost or damaged.
- B. If the deductible that applies to the described coverage in the Schedule of this Endorsement is less than the policy deductible, then the policy deductible shall apply to the described coverage.
- C. If more than one deductible is applicable under this endorsement or the Property-Gard Select Real and Personal Property Coverage Section - 190001, then we will only apply the highest deductible amount that is applicable.

VIII. The following are added to section N., **Definitions** of the Property-Gard Select Real and Personal Property Coverage Section:

- A. **Annual Aggregate** means the most we will pay for all loss or damage arising from all occurrences(s) during any one Policy Period. **Annual Aggregate** Limits(s) of Insurance are reduced by the amount of any paid loss.

If the policy is written for a term of more than one year, then we will apply the **annual aggregate** limit of insurance separately to each consecutive year of the Policy Period. If the policy is extended for a period of time that is less than a year, and such extension of coverage was not in conjunction with a Notice of Non-Renewal or Conditional Notice, then the remaining **annual aggregate** from the prior term applies to the extended period of time. If the policy is extended in accordance with a Notice of Non-Renewal or Conditional Renewal, then the **annual aggregate** Limits of Insurance shown in the Schedule will be increased in proportion to any policy extension provided in accordance with a Notice of Non-Renewal or Conditional Renewal, provided, however, that if the first Named Insured elects to accept the terms and conditions and rates of the conditional renewal notice, then a new annual aggregate limitation shall become effective as of the inception date of the renewal.

- B. The Definitions below apply to Employee Theft - Limited and Forgery or Alteration - Limited coverage clauses provided by this Endorsement:

1. **Employee** means:
- a. Any natural person:

- (1) While in your service or for 30 days after termination of service;
 - (2) Who you compensate directly by salary, wages or commissions; and
 - (3) Who you have the right to direct and control while performing services for you.
- b. Any natural person who is furnished temporarily to you:
- (1) To substitute for a permanent **employee** as defined in Paragraph B.1.a. above, who is on leave; or
 - (2) To meet seasonal or short-term work load conditions;
- while that person is subject to your direction and control and performing services for you, excluding, however, any such person while having care and custody of property outside the premises.
- c. Any natural person who is leased to you under a written agreement between you and a labor leasing firm, to perform duties related to the conduct of your business, but does not mean a temporary employee as defined in Paragraph B.1.b. above.
- d. **Employee** does not mean:
- (1) Any agent, broker, factor, commission merchant, consignee, independent contractor or representative of the same general character; or
 - (2) Any **manager**, director or trustee except while performing acts coming within the scope of the usual duties of an **employee**.
2. **Forgery** means the signing of the name of another person or organization with intent to deceive; it does not mean a signature which consists in whole or in part of one's own name signed with or without authority, in any capacity, for any purpose.
3. **Manager** means a person serving in a directorial capacity for a limited liability company.
4. **Member** means an owner of a limited liability company represented by its membership interest, who also may serve as a **manager**.
5. **Money** means:
- (a) Currency, coins and bank notes in current use and having a face value; and
 - (b) Travelers checks, register checks and money orders held for sale to the public.
6. **Occurrence** means:
- (a) As respects Employee Theft, all loss caused by, or involving, one or more **employees**, whether the result of a single act or series of acts.
 - (b) As respects Forgery or Alteration, all loss caused by any person or in which that person is involved, whether the loss involves one or more instruments.
7. **Other property** means any tangible property other than **money** and **securities** that has intrinsic value but does not include any property excluded under Employee Theft - Limited and Forgery or Alteration - Limited.
8. **Securities** means negotiable and nonnegotiable instruments or contracts representing either **money** or property and includes:
- (a) Tokens, tickets, revenue and other stamps (whether represented by actual stamps or unused value in a meter) in current use; and

(b) Evidences of debt issued in connection with credit or charge cards, which cards are not issued by you;

but does not include **money**.

9. **Theft** means the unlawful taking of **money, securities or other property** to the deprivation of the Insured.
- C. **Fire Protection Equipment** means any wet, dry, chemical or gaseous fire suppression or extinguishing systems, including fire suppression supply tanks; supply lines; ducts or piping; pumps; private mains or hydrants; standpipes or outlets; and their component parts or supports; which you own, lease or rent from others.
- D. **Harvested fruit** means grapes that have been removed from the vine to be used in producing **wine products**.
- E. **Mobile agricultural equipment** means mobile devices designed for use in your vineyards and includes:
1. Accessories, whether attached or not; and
 2. Tools and spare parts that are specifically designed and intended for use in the maintenance and operation of the mobile devices.
- F. **Perishable stock** means personal property maintained under the controlled conditions required for its preservation and susceptible to loss or damage if the controlled conditions change.
- G. **Policy Deductible** means the deductible described in the Property Declarations, the Property-Gard Select Real and Personal Property Coverage Section. The **policy deductible** is not the deductible shown in the schedule of this endorsement.
- H. **Processing water** means water you use in your winemaking process. **Processing water** does not include water:
1. Used for the irrigation of land; or
 2. Used for or in **fire protection equipment**.
- I. **Wine cave** means a man made underground chamber used for the processing or storage of wine, including installed fixtures and attached equipment used for the maintenance of the **wine cave**, but does not include any other property contained in a **wine cave**.
- J. **Wine product** means:
1. Juice from **harvested fruit**;
 2. Wine in any state of fermentation;
 3. Wine in tanks, barrels or bottles or in the process of being placed in tanks, barrels or bottles;
 4. Products you make from wine.
- IX. This Endorsement is otherwise subject to all the terms, conditions, provisions and stipulations of the policy to which it is attached.

**Property-Gard Select - Additional Extensions of Coverage for Wineries
190093 05 06**

Policy Amendment(s) Commercial Property Coverage

This endorsement modifies insurance provided under the following:

Property-Gard Select Real and Personal Property Coverage Section - 190001

Property-Gard Select Endorsement - Business Income with Extra Expense Coverage - 190004

Commercial Property Coverage

Schedule

Coverage Description	Combined Limit of Insurance	Limit of Insurance
Property-Gard Select Real and Personal Property Coverage Section - 190001		
Pollution Clean-Up	N/A	
Per Occurrence	N/A	
Annual Aggregate	N/A	
Communicable Disease Expense		
Extended Warranty		
Fine Arts		
Key Employee Replacement Expense	N/A	
Per Key Employee	N/A	
Annual Aggregate	N/A	
Loss Adjustment Expense		
Lost Key		
Money, Checks, Stamps and Securities		
Money Orders and Counterfeit Paper Currency		
Realty Tax Coverage - Increase Assessment		
Reward		
Signs and Outdoor Property		
Property-Gard Select Endorsement - Business Income with Extra Expense Coverage - 190004		
Dependent Property Coverage		
Extraordinary Advertising and Promotion Expense		

Combined Limit of Insurance \$

Optional Deductibles:
☐ \$1,000 ☐ \$2,500 ☐ \$5,000 ☐ \$10,000 ☐ Policy Deductible

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

This Form must be attached to Change Endorsement when issued after the policy is written.

One of the Fireman's Fund Insurance Companies as named in the policy

Secretary

President

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If **0** appears in the Schedule of this Endorsement, or in the Declarations applicable to this Endorsement, no coverage is provided for the described coverage.

If **N/A** is shown for a described coverage or the described coverage does not have a corresponding Limit of Insurance shown in the Schedule of this Endorsement, or in the Declarations applicable to this Endorsement, no coverage is provided for the described coverage.

If **combined** appears for a described coverage under the **Combined Limit** in the Schedule of this Endorsement, or in the Declarations applicable to this Endorsement, the Limit of Insurance for the described coverage will be appear under the **Combined Limit of Insurance** as shown in the Schedule of this Endorsement or in the Declarations applicable to this Endorsement.

If **N/A** appears for a described coverage under the **Combined Limit** in the Schedule of this Endorsement, or in the Declarations applicable to this Endorsement, the described coverage is not available for inclusion in the **Combined Limit**.

If **Included** appears in the Schedule of this Endorsement, the applicable Limit of Insurance is specified in the Declarations of this policy.

Unless otherwise indicated, the Coinsurance Additional Condition does not apply to coverage provided by this Endorsement.

- I. The following exclusion is added to any coverage part, coverage coverage form, coverage section, coverage provision, extension of coverage, additional coverage, coverage enhancement, or amendatory endorsement attached to this policy:

Except as provided for within the individual Extensions of Coverage or Additional Coverages contained in Sections III. and IV. of the Property-Gard Select - Additional Extensions of Coverage for Wineries - 190093, we do not cover any loss of Business Income, Extra Expense, Expediting Expense, Rental Value, Rental Cost Reimbursement or other consequential loss when the Business Income, Extra Expense, Expediting Expense, Rental Value, Rental Cost Reimbursement or other consequential loss is the result of:

- A. Loss or damage to any property added to the policy by the Property-Gard Select - Additional Extensions of Coverage for Wineries - 190093; or
- B. Loss or damage that is caused by or results from a cause of loss that is added under any extension of coverage or additional coverage contained within the Property-Gard Select - Additional Extensions of Coverage for Wineries - 190093.

- II. Item F.2., Pollution Clean-Up, of the Property-Gard Select Real and Personal Property Coverage Section - 190001 is deleted and replaced with the following:

2. Pollution Clean-Up

- a. We will pay your reasonable cost to remove or extract **pollutants** from land, water, or air. The release, discharge, or dispersal of the **pollutants** must result from a **Covered Cause of Loss** and must occur during the policy period. This coverage applies if no later than 180 days from the date of loss or from the end of the policy period, whichever comes first, you discover the loss and report the cost to us in writing.
- b. We will not pay:
 - (1) The cost to repair, replace or restore property damaged or destroyed by extraction of **pollutants**;
 - (2) The cost to extract **pollutants** from land, water, or air at any location:
 - (a) Used for the handling, treatment, storage or disposal of waste unless it is a specifically identified location shown in the Declarations;

- (b) Not specifically identified in the Declarations of this policy if the **pollutants** have been released, dispersed or discharged from a location which is used for the handling, treatment, storage or disposal of waste and which is not specifically identified in the Declarations of this policy; or
- (c) If the **pollutants** arise out of or are a consequence of nuclear reaction or radiation, or radioactive contamination.

c. Limit Of Insurance

- (1) The most we will pay for loss, damage, or expense in any one occurrence under this Extension of Coverage is the Per Occurrence Limit of Insurance shown in the Schedule of this Endorsement applicable to Pollution Clean-up.
- (2) The most we will pay for loss, damage, or expense in all occurrences in any one policy period under this Extension of Coverage is the **Annual Aggregate Limit** of Insurance shown in the Schedule of this Endorsement applicable to Pollution Clean-up.

III. Section F., Extensions of Coverage, of the Property-Gard Select Real and Personal Property Coverage Section - 190001 is amended to include the following:

A. Communicable Disease Expense Coverage

- 1. We will pay, as a result of a covered **communicable disease event** at the premises described in the Declarations, the actual, necessary, and reasonable costs you incur to:
 - a. Clean your equipment;
 - b. Provide doctor's care, medical tests, inoculations, vaccinations, antibiotics, and hospitalization to employees, admitted residents, patients, or visitors caused by or resulting from a covered **communicable disease event** at the premises described in the Declarations. Coverage for employees is provided only if state Workers Compensation statutes do not apply.
 - c. Test for, monitor, contain, treat, detoxify, disinfect, neutralize, cleanup and remove the debris of Property Insured, and to assess the effects of a covered **communicable disease event** at the premises described in the Declarations.
- 2. The following exclusion is added to any coverage section, coverage form, coverage part, coverage provision, extension of coverage, additional coverage, coverage enhancement, or amendatory endorsement attached to this policy:

Except as provided in Section III.A.1. of the Property-Gard Select - Additional Extensions of Coverage for Wineries - 190093, we do not cover any loss of business income, extra expense, expediting expense or rental value when the loss, damage or expense is the result of a communicable disease event.
- 3. We will not pay for any physical loss or damage to Property Insured caused by or resulting a **communicable disease event**, except for the expenses described in III.A.1. above.
- 4. We will not pay under Communicable Disease Coverage for any loss, damage, or expense that is caused directly or indirectly by any of the following:
 - a. Fines or penalties of any kind; or
 - b. Any increase of loss, damage, or expense caused by or resulting from the suspension, lapse or cancellation of any license, lease or contract; or
 - c. Any cost or expense you incur to evacuate the covered **premises** due to a **communicable disease event**; or
 - d. Any other event or action otherwise excluded under this policy.

5. This Extension of Coverage does not create, nor will it invoke coverage for:

- a. The loss of business income, rental value, extra expense, or consequential loss of any kind or nature; or
- b. Debris Removal as described under Section F.1. of the Property-Gard Select Real and Personal Property Coverage Section - Form #190001;

or elsewhere under this Coverage Section or Policy, except as provided by this Endorsement under Communicable Disease Coverage.

6. Limits of Insurance

The most we will pay for loss, damage, or expense, including debris removal, in any one occurrence under this Extension of Coverage, is the Communicable Disease Expense Limit of Insurance shown in the Schedule of this Endorsement.

B. Extended Warranty Coverage

- 1. If a **Covered Cause of Loss** results in a direct total physical loss to Property Insured at a **premises** described in the Declarations, we will pay the unused pro-rata portion of the non-refundable purchase price for extended warranties or service contracts which you purchased for such damaged property.
- 2. The most we will pay for loss, damage, or expense in any one occurrence under this Extension of Coverage, is the Extended Warranty Limit of Insurance shown in the Schedule of this Endorsement.

C. Fine Arts Coverage

- 1. We cover **fine arts** you own, and such property owned by others, that is in your care, custody, or control, while located within the **premises** that you occupy at locations described in the Declarations.
- 2. We cover such property against direct physical loss or damage caused by or resulting from a **Covered Cause of Loss** applying to Property Insured at the location described in the Declarations.
- 3. **Fine Arts** will be valued at the time of loss or damage as follows:

- a. For partial losses, including items that are part of a pair or set, we will pay:

- (1) The reasonable cost necessary to restore the article, pair or set to its condition immediately before the loss.
- (2) If we agree that such restoration cannot fully restore the article, pair or set to its condition just before the loss, we will pay the difference between the article's **fair market value** immediately before and after the loss. We will pay this amount in addition to the cost incurred in attempting to restore the article.

Example: The article's pre-loss **fair market value** is \$25,000. The damaged article can be restored for \$3000. However, the post-restoration **fair market value** of the article will be only \$20,000. The difference between the article's pre-loss **fair market value** and the post-restoration **fair market value** is \$5,000 (\$25,000 - \$20,000 = \$5,000). The total amount we will pay is \$8,000 \$5000 (diminution of value) plus \$3000 (cost of restoration) = \$8,000 , less any deductible that may apply to the loss or damage.

- b. For total losses, we will pay the **fair market value** of the article, pair or set that would have applied immediately before the loss, less any deductible that may apply to the loss or damage.
- 4. The following is added to the Property-Gard Select Real and Personal Property Coverage Section - 190001, Section C. Property Not Insured:

12. **Fine arts.**

5. The most we will pay for loss, damage, or expense in any one occurrence under this Extension of Coverage, regardless of the number of fine arts lost or damaged, is the Fine Arts Limit of Insurance shown in the Schedule of this Endorsement.

D. Key Employee Replacement Expense

1. We will pay for **key employee replacement expense** resulting from your permanent loss of the services due to death or permanent disability of a **key employee** by a **covered key employee accident or illness**. However, this Extension of Coverage does not apply if such **key employee** is terminated by you for any reason.
2. Coverage under this extension will take effect on the date of the permanent loss of services of the **key employee** due to a **covered key employee accident or illness** and ends 60 days after the replacement for the **key employee** is hired, subject to a maximum of 180 days from the date of the permanent loss of services of the **key employee**.
3. Coverage under this extension applies only if the **covered key employee accident or illness** occurs while this Extension Endorsement is in effect, however the period of time for which we will pay **key employee replacement expense** will not be limited by the expiration of your policy.
4. Coverage under this extension does not apply to death or permanent disability caused by:
 - a. War, including undeclared war or civil war;
 - b. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these;
 - c. Nuclear reaction or radiation, or radioactive contamination, however caused;
 - d. Pregnancy, childbirth, miscarriage or termination of pregnancy; or
 - e. Suicide, attempted suicide or intentional self inflicted injury or illness.
5. Coverage does not apply to any additional expense you incur to replace the **key employee** that you would not have incurred if you had used all reasonable means to:
 - a. Find a permanent replacement; or
 - b. Reduce or discontinue the **key employee replacement expense**,
 as soon as possible after your permanent loss of the services to your business performed by the **key employee**.
6. This insurance does not cover **key employee replacement expense** for a **key employee** who was hired to replace an injured or deceased **key employee** covered by this insurance, unless the replacement **key employee** was injured or killed by a **covered key employee accident or illness**.
7. The most we will pay for loss or expense from the loss of services of any one **key employee** under this Extension of Coverage is the Per Key Employee Limit of Insurance shown in the Schedule of this Endorsement that applies to Key Employee Replacement Expense.
8. The most we will pay for loss or expense from the loss of services of all **key employees** under this Extension of Coverage in any one policy year is the Annual Aggregate Limit of Insurance shown in the Schedule of this Endorsement that applies to Key Employee Replacement Expense.

E. Loss Adjustment Expense

1. When a covered loss occurs we will pay the actual, necessary and reasonable loss adjustment expenses you incur. We will pay only that part of the total loss adjustment expense that would not have been incurred had there not been a covered loss.

2. Loss adjustment expenses are expenses you incur for preparing inventories and other loss data in order to support your claim or complete your proof of loss, such as but not limited to:
 - a. Public Accountant (P.A.) or Certified Public Accountant (C.P.A.) fees;
 - b. The cost of appraisals required by us; or
 - c. Extra wages you pay your employees for preparing inventories and other loss data in support of your claim.
3. Loss adjustment expense does not include:
 - a. Legal or public adjuster fees or expenses;
 - b. Expenses or fees recoverable elsewhere under this policy, or any other policy, whether collectible or not; or
 - c. Expenses or fees excluded elsewhere under this policy.
4. The most we will pay for loss, damage, expenses, or fees in any one occurrence under this Extension of Coverage is the Limit of Insurance shown in the Schedule of this Endorsement that applies to Loss Adjustment Expense.

F. Lost Key Coverage

1. We will pay for consequential loss to keys and locks if a master key or grand master is lost or damaged resulting from a **Covered Cause of Loss**. We will pay for the actual cost to replace keys, the adjustment of locks to accept new keys, or, if required, new locks, including the cost of their installation.
2. Exclusions D.2.a. and D.2.d. of the Property-Gard Select Real and Personal Property Coverage Section do not apply to this coverage.
3. No Deductible applies to this Extension of Coverage.
4. The most we will pay for loss, damage, or expense in any one occurrence under this Extension of Coverage, are the Limits of Insurance shown in the Schedule of this Endorsement that applies to Lost Key Coverage.

G. Money, Checks, Stamps, and Securities

1. We cover **money**, checks, stamps and **securities** you use in your business as shown by your records. We cover them while they are contained within the **premises** at locations described in the Declarations. We also cover them while they are being carried to or from a covered location in the care, custody, or control of a **messenger** or an armored motor vehicle company.
2. We cover such property against direct physical loss or damage caused by or resulting from a **Covered Cause of Loss** applying to Property Insured at the location described in the Declarations.
3. We do not cover any loss caused by or resulting from forgery; alterations; the giving or surrendering of checks, **money** or **securities** in exchange or purchase; or accounting or arithmetic errors or omissions.
4. The most we will pay for loss, damage, or expense in any one occurrence under this Extension of Coverage, regardless of the amount of **money**, or number of checks, stamps, or **securities** lost or damaged, is the Limit of Insurance shown in the Schedule of this Endorsement that applies to Money, Checks, Stamps, and Securities.

H. Money Orders and Counterfeit Paper Currency

1. We will pay for your loss which directly results from you accepting the following in good faith, in exchange for merchandise, **money** or services:
 - a. Money orders (including **counterfeit** money orders, purporting to have been issued by any United States or Canadian post office, express company, or national, state, or Canadian chartered bank) not paid upon presentation; or
 - b. **Counterfeit** United States or Canadian paper currency.
2. The most we will pay for loss, damage, or expense in any one occurrence under this Extension of Coverage, regardless of the number of items contributing to the loss, is the Limit of Insurance shown in the Schedule of this Endorsement that applies to Money Orders and Counterfeit Paper Currency.

I. Realty Tax Coverage - Increased Assessment

1. If a **Covered Cause of Loss** results in direct physical loss or damage to Property Insured at a premises described in the Declarations, we will reimburse you for the increased realty tax liability attributable to the construction, repair, rebuilding, or reconstruction of the damaged property, as covered by this policy.
2. We will pay for such increased realty tax liability if it is assessed within 2 years of a covered loss. However, we will only pay the first such increased assessment following any realty tax assessment increase that is insured under this coverage.
3. The most we will pay for loss, damage, or expense in any one occurrence under this Extension of Coverage, is the Limit of Insurance shown in the Schedule of this Endorsement that applies to Realty Tax Coverage - Increased Assessment.

J. Reward Coverage

1. We will reimburse you the rewards you pay for information leading to the arrest and subsequent conviction of the person or persons responsible for direct physical loss or damage caused by a **Covered Cause of Loss** to Property Insured resulting from an unlawful intentional act.
2. No Deductible applies to this Extension of Coverage.
3. The most we will pay for loss, damage, or expense in any one occurrence under this Extension of Coverage, is the Limit of Insurance shown in the Schedule of this Endorsement that applies to Reward Coverage.

K. Signs and Outdoor Property

1. We will cover the following property wherever situated in the policy territory:
 - a. Exterior signs you own; and
 - b. Outdoor radio or television towers, antennas, or satellite dishes you own.
2. We cover such property against direct physical loss or damage caused by or resulting from a **Covered Cause of Loss** applying to Property Insured.
3. The most we will pay for loss, damage, or expense in any one occurrence under this Extension of Coverage, regardless of the number of property items lost or damaged, is the Signs and Outdoor Property Limit of Insurance shown in the Schedule of this Endorsement.

IV. If the Declarations show you have Business Income with Extra Expense Coverage - 190004, coverage is amended as follows:

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- A. The Limit of Insurance shown in the Schedule of this Endorsement for Dependent Property Coverage is included within the Limits of Insurance for Business Income with Extra Expense Coverage shown in the Declarations. Payments under such coverage will not increase the Limits of Insurance for Business Income with Extra Expense Coverage.
- B. The following coverage clauses are added to item C. Additional Coverages of the Business Income with Extra Expense Coverage - 190004:

- 1. Dependent Property Coverage

- a. We will pay for the actual loss of **business income, retail value**, or necessary **extra expense** that you sustain due to the necessary suspension of your **operations** during the **period of restoration** at the **premises** described in the Declarations.
- b. The suspension must be caused by direct physical loss of or damage to **dependent property** not described in the Declarations caused by or resulting from a **Covered Cause of Loss**.
- c. The provisions of the Business Income with Extra Expense Coverage - 190004 respecting direct physical loss or damage at the described **premises** will apply separately to each **dependent property**.
- d. We will reduce the amount of your:
 - (1) **Business income** or **retail value** loss, other than **extra expense**, to the extent you can resume **operations**, in whole or in part, by using any other available source of materials, or outlet for your products.
 - (2) **Extra expense** loss to the extent you can return **operations** to normal and discontinue such **extra expense**.
- e. The most we will pay for loss, damage, or expense under this Additional Coverage, regardless of the number of **premises** described in the Declarations or **dependent properties** involved, is the Limit of Insurance shown in the Schedule of this Endorsement that applies to Dependent Property Coverage.

- 2. Extraordinary Advertising and Promotion Expense

- a. We will pay for **extraordinary advertising and promotion expense** you incur during and after the **period of restoration** following the suspension of **operations** resulting from direct physical loss to Property Insured by a **covered cause of loss**. This coverage ends no later than sixty (60) days following the date your property is actually repaired, rebuilt or replaced and **operations** are resumed.
- b. The most we will pay for expense in any one occurrence under this Additional Coverage is the Limit of Insurance shown in the Schedule of this Endorsement that applies to Extraordinary Advertising and Promotion Expense.

V. Combined Limit of Insurance

- A. If the Schedule that applies to this Endorsement, or the Declarations as applicable to this Endorsement, indicates the Limit of Insurance for a specific coverage is part of the Combined Limit of Insurance, then the Combined Limit of Insurance applies to all of the coverages for which the Combined Limit of Insurance is applicable.
- B. The Combined Limit of Insurance:
 - 1. Applies separately at each location shown in the Declarations of this policy; and
 - 2. Is subject to the Deductible shown in the Schedule of this Endorsement or in the Declarations as applicable to this Endorsement; and

3. Does not apply to any location unless the location is specifically listed in the Declarations of this policy as a covered location, even if coverage is provided for your Business Personal Property at such location as a result of an Extension of Coverage contained within, or added to, the Property-Gard Select Real and Personal Property Coverage Section. The Key Employee Replacement Expense, Signs and Outdoor Property and Dependent Property Coverages are not subject to this location requirement.
- C. At the time of loss, the first Named Insured may elect to apportion this Combined Limit of Insurance to one or any combination of coverages for which the Combined Limit of Insurance applies.
- D. The most we will pay for all loss, damage or expense in any one occurrence for any one coverage, or for any combination of coverages, regardless of how many coverages are involved in the loss, is the Combined Limit of Insurance shown in the Schedule of this Endorsement or in the Declarations as applicable to this Endorsement.

VI. Deductible

The following provisions apply with respect to coverage provided under this Endorsement:

- A. We will not pay for loss or damage in any one occurrence until the amount of covered loss or damage exceeds the Deductible shown in the Schedule of this Endorsement. We will then pay the amount of covered loss or damage in excess of the Deductible, up to the applicable Limit of Insurance.
- B. If the deductible shown in the Schedule of this Endorsement is less than the **policy deductible**, then the **policy deductible** shall apply to this Endorsement.
- C. If more than one property damage deductible is applicable under this endorsement or the Property-Gard Select Real and Personal Property Coverage Section - 190001, we will only apply the highest property damage deductible amount that is applicable.

VII. The following additional definitions apply to this Endorsement:

- A. **Annual Aggregate** means the most we will pay for all loss or damage arising from all occurrences(s) during any one Policy Period. **Annual Aggregate Limits(s)** of Insurance are reduced by the amount of any paid loss.

If the policy is written for a term of more than one year, then we will apply the **annual aggregate** limit of insurance separately to each consecutive year of the Policy Period. If the policy is extended for a period of time that is less than a year, and such extension of coverage was not in conjunction with a Notice of Non-Renewal or Conditional Notice, then the remaining **annual aggregate** from the prior term applies to the extended period of time. If the policy is extended in accordance with a Notice of Non-Renewal or Conditional Renewal, then the **annual aggregate** Limits of Insurance shown in the Schedule will be increased in proportion to any policy extension provided in accordance with a Notice of Non-Renewal or Conditional Renewal, provided, however, that if the first Named Insured elects to accept the terms and conditions and rates of the conditional renewal notice, then a new annual aggregate limitation shall become effective as of the inception date of the renewal.

- B. **Communicable Disease** means any disease caused by a biological agent that is transmitted directly or indirectly from one individual to another.
- C. **Communicable disease event** means that an official public health authority has ordered your premises to be evacuated and disinfected due to the outbreak of a **communicable disease** at the covered location.
- D. **Counterfeit** means an imitation of an actual valid original that is intended to deceive and to be taken as the original.
- E. **Covered key employee accident or illness** means:
 1. A verifiable sudden accidental occurrence causing bodily injury, or



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2. An illness which is first diagnosed during the policy period and after the date the **key employee** is hire, and
3. Is not otherwise excluded in this Extension

which solely and independently of any other cause results in the **key employee's**:

1. Death; or
2. Permanent disability, meaning the permanent physical inability of the **key employee** to perform the duties required by his or her job at your business,

which occurs within one year of the **covered key employee accident or illness**.

F. **Dependent property** means property operated by others whom you depend to:

1. Deliver materials or services to you, or to others for your account (**Contributing Locations**). **Contributing Locations** does not mean any property that delivers any of the following services:
 - a. Water supply services;
 - b. Power supply services; or
 - c. Communication supply services, including services relating to internet access or access to any electronic network.
2. Accept your products or services (**Recipient Locations**).
3. Manufacture products for delivery to your customers under contract of sale (**Manufacturing Locations**).
4. Attract customers to your business (**Leader Locations**).

G. **Extraordinary Advertising and Promotion Expense** means extra expense you incur (beyond customary and reasonable expenses) to attract customers to your business beyond normal extra expenses following a loss for advertising, direct mail, discount coupons and conducting promotional events.

H. **Fair market value** means the price that a willing buyer would pay to a willing seller in an open market if the property had been offered for sale on the date of the loss.

I. **Fine arts** means paintings; rare books; etchings; pictures; prints; drawings; tapestries; valuable rugs; sculptures; statuary; pottery; marbles; bronzes; antique furniture; antique silver; manuscripts; porcelains; rare glass; stained glass, whether a part of Business Real Property or not; bric-a-brac; other similar bona fide works of art; items of rarity, historical value, or artistic merit, including trophies, scientific or musical instruments or experiments. **Fine Arts** does not mean **Valuable papers**.

J. **Key employee** means your winemaker, vineyard manager in charge of your vineyard operations, or your general manager employed by you. For the purposes of this Extension only, **key employee** also includes a winemaker leased by you who provides services for your business as an independent contractor in this profession, has done so for at least two (2) years and is under contract to provide your business with such services for at least one (1) more year.

K. **Key employee replacement expense** means the necessary expenses you incur that you would not have incurred if you had not loss the services of the **key employee** for:

1. Replacement recruiting expenses including the fees paid to a search firm, advertising costs, travel costs during the interview process and other expenses directly related to the recruitment process for a replacement **key employee**;

2. Expenses to relocate the replacement **key employee** to live within a reasonable commuting distance from your business; and
3. Additional training or education during the replacement **key employee's** the first ninety (90) days in your employment.
- L. **Messenger** means you, or a relative of yours, or any of your partners or **members**, or any **employee** while having care, custody, or control of **money**, checks, stamps and **securities** outside the premises.
- M. **Money** means:
1. Currency, coins and bank notes in current use and having a face value; and
 2. Travelers checks, register checks and money orders held for sale to the public.
- N. **Period of Restoration**, with respect to **dependent property**, means:
1. The period of time that:
 - a. Begins with the date of direct physical loss or damage caused by or resulting from any **Covered Cause of Loss** at the **premises** of the **dependent property**; and
 - b. Ends on the date when the property at the **premises** of the **dependent property** should be repaired, rebuilt, or replaced with reasonable speed and similar quality.
 2. **Period of restoration** does not include any increased period required due to the enforcement of any ordinance or law that:
 - a. Regulates the construction, use or repair, or requires the tearing down of any property, or requiring the removal of asbestos ; or
 - b. Requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of **pollutants**.
 3. The expiration date of this policy will not cut short the **period of restoration**.
- O. **Policy Deductible** means the deductible described in the Property Declarations, the Property-Gard Select Real and Personal Property Coverage Section , or the Business Income Coverage Part. The **policy deductible** is not the deductible shown in the schedule of this endorsement.
- P. **Securities** means negotiable and nonnegotiable instruments or contracts representing either **money** or property and includes:
1. Tokens, tickets, revenue and other stamps (whether represented by actual stamps or unused value in a meter) in current use; and
 2. Evidences of debt issued in connection with credit or charge cards, which cards are not issued by you; but does not include **money**.
- IX. This endorsement is otherwise subject to all other terms, conditions, provisions and stipulations of the policy to which it is attached.

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Property-Gard Select Business Access Coverage Endorsement 190097 05 07

Policy Amendment(s) Commercial Property Coverage

This endorsement modifies insurance provided under the following:

Property-Gard Select Endorsement Business Income with Extra Expense Coverage

Schedule

Civil Authority.....	Coverage applies for	_____ days
Waiting Period for Civil Authority Coverage		_____ hours
Access to Premises.....	Coverage applies for	_____ days
Waiting Period for Access to Premises Coverage		_____ hours

Description of Business Real Property to which this endorsement applies:

Location Number	Address
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Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

Unless specifically and expressly provide for herein, the coverage granted by this Endorsement does not provide nor will it invoke coverage for loss of use, loss of business income, loss of rental income, extra expense or consequential loss of any kind or nature.

Coverage for any loss of use, loss of business income, loss of rental income or extra expense, if specifically provided under the policy, will be solely governed by the conditions of the relevant business income, rental income or extra expense form(s).

Civil Authority and Access to Premises

If the Declarations show you have the Business Income with Extra Expense Coverage - 190004, then:

- A. Section C.2. under Section C. Additional Coverages is deleted in its entirety and replaced by the following:

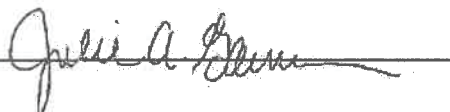
2. Civil Authority

- (a) We will pay for the actual loss of Business Income you sustain and necessary Extra Expense your incur caused by action of civil authority that prohibits access to the described premises in the Schedule above due to the direct physical loss of or damage to property, other than at the described premises, caused by or resulting from a Covered Cause of Loss. This coverage will apply for the period of time shown on the Schedule of this Endorsement from the date of that action. If no period of time is shown on the Schedule of this Endorsement, there is no coverage provided.

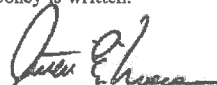
This Form must be attached to Change Endorsement when issued after the policy is written.

One of the Fireman's Fund Insurance Companies as named in the policy

Secretary



President



- (b) We will only pay for the actual loss of Business Income and Extra Expense you sustain after the expiration of the applicable Waiting Period shown on the Schedule of this Endorsement following the date of the physical loss or damage to property. We will then pay the amount your actual loss of Business Income and Extra Expense up to the applicable number of days or Limit of Insurance.

If other coverage for Civil Authority exists in this policy, then the additional days of coverage provided in this coverage will only apply after the period of time limit provided by such other coverage has expired. If other coverage provides coverage for Civil Authority, then the Waiting Period for that coverage will apply to this coverage also and there will be no additional Waiting Period before this coverage applies.

And

B. Section C.4 is hereby added:

4. Access to Premises

- a. We will pay for the actual loss of Business Income you sustain and necessary Extra Expense you incur caused by the physical prevention or hindrance of ingress to or egress from the desired premises in the Schedule above due to the direct physical loss of or damage to property, other than at the described premises, caused by or resulting from a Covered Cause of Loss. This coverage will apply for the period of time shown on the Schedule of this Endorsement from the date of that direct physical loss or damage. If no period of time is shown on the Schedule of this Endorsement, no coverage is provided.
- b. This Additional Coverage ends when any of the following first occurs:
- physical prevention or hindrance of ingress to or egress ceases; or
 - the number of days shown on the Schedule of this Endorsement expire.

- c. We will only pay for the actual loss of Business Income and Extra Expense you sustain after the applicable Waiting Period shown on the Schedule of this Endorsement following the physical loss or damage to property. If no Waiting Period is shown on the Schedule of this Endorsement, then this coverage will only apply beginning 72 hours after the direct physical loss or damage. We will then pay the amount of your actual loss of Business Income and Extra Expense up to the applicable number of days or Limit of Insurance, whichever is less.
- d. Payment under this Additional Coverage will not increase the Limit of Insurance
- e. With respect to this Additional Coverage only, no coverage is provided for losses due to:
- flood and earth movement;**
 - lack of incoming or outgoing services consisting of electric, fuel, gas, water, steam, refrigerant, sewerage, and voice, data or video; or
 - picketing or other action by strikers except for physical damage not excluded by this policy.

C. Limits of Insurance

- The most we will pay under this Additional Coverage is the amount of covered loss you incur during the number of days shown in the Schedule of this Endorsement applicable to Civil Authority or Access to Premises Coverage.
- Payments for loss of business income and extra expense under this Additional Coverage reduce the Limits of Insurance for Business Income with Extra Expense Coverage shown in the Declarations.
- Payments under this Additional Coverage will not increase the Limits of Insurance for Business Income with Extra Expense.

All other provisions of the Business Income Coverage with Extra Expense Coverage apply.